Form 3160-3
(February 2005)

FORM APPROVED
OMB No. 1004-0137
Expires March 31, 2007

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

5. Lease Serial No.: **U-0283-A**

6. If Indian, Allotee or Tribe Name:

1a. Type of work: ☑ DRILL ☐ REENTER

7. If Unit or CA Agreement, Name and No.: **CHAPITA WELLS UNIT**

1b. Type of Well: ☐ Oil Well ☑ Gas Well ☐ Other ☑ Single Zone ☐ Multiple Zone

8. Lease Name and Well No.: **CHAPITA WELLS UNIT 1270-15**

2. Name of Operator: **EOG RESOURCES, INC**

9. API Well No.: 43-047-38475

3a. Address: **1060 EAST HIGHWAY 40 VERNAL, UT 84078**

3b. Phone No. *(include area code)*: **435-781-9111**

10. Field and Pool, or Exploratory: **NATURAL BUTTES**

4. Location of Well *(Report location clearly and in accordance with any State requirements.*)* -109.432667

At surface: **54 FNL 600 FWL NW/NW 40.043117 LAT 109.433375 LON**

At proposed prod. zone: **SAME** 633709X 4433515Y 40.043164

11. Sec., T. R. M. or Blk. and Survey or Area: **SECTION 15, T9S, R22E S.L.B.&M**

14. Distance in miles and direction from nearest town or post office*: **47.7 MILES SOUTH OF VERNAL, UTAH**

12. County or Parish: **UINTAH**

13. State: **UT**

15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)	16. No. of acres in lease	17. Spacing Unit dedicated to this well
54	**1360**	

18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.	19. Proposed Depth	20. BLM/BIA Bond No. on file
930	**9831**	**NM 2308**

21. Elevations (Show whether DF, KDB, RT, GL, etc.)	22. Approximate date work will start*	23. Estimated duration
4825 GL		**45 DAYS**

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, must be attached to this form:

1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office).
4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification
6. Such other site specific information and/or plans as may be required by the BLM.

25. Signature	Name *(Printed Typed)*	Date
Kaylene R. Gardner	**KAYLENE R. GARDNER**	**08/03/2006**

Title: **REGULATORY ASSISTANT**

Approved by *(Signature)*	Name *(Printed Typed)*	Date
Bradley G. Hill	**BRADLEY G. HILL**	08-17-06

Title: Office **ENVIRONMENTAL MANAGER**

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*(Instructions on page 2)

Federal Approval of this Action is Necessary

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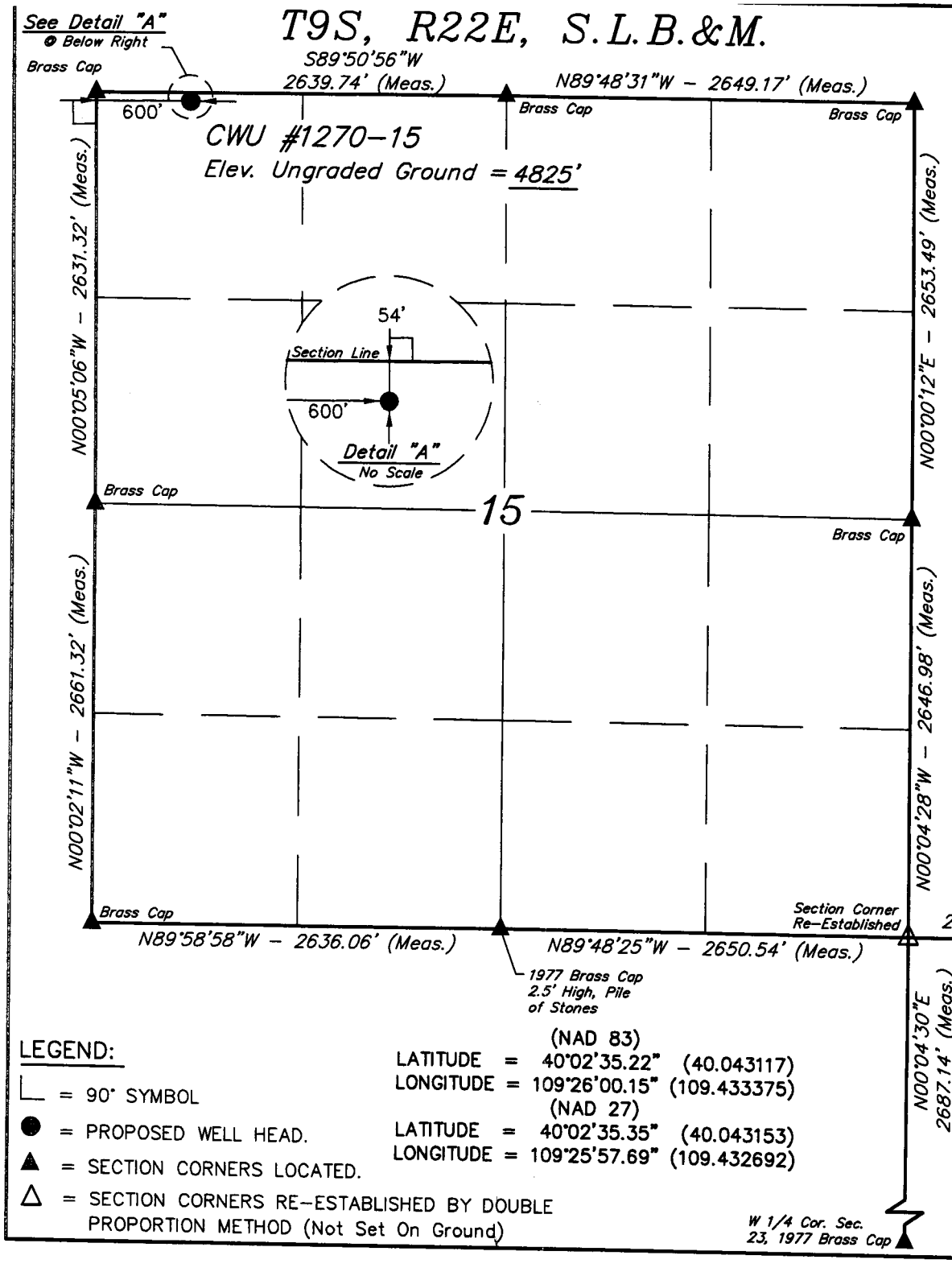
AUG 14 2006
DIV. OF OIL, GAS & MINING



EOG RESOURCES, INC.

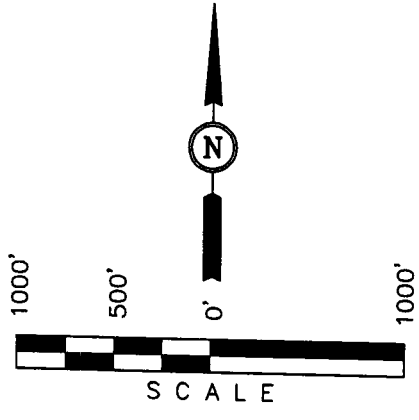
Well location, CWU #1270-15, located as shown in the NW 1/4 NW 1/4 of Section 15, T9S, R22E, S.L.B.&M., Uintah County, Utah.

BASIS OF ELEVATION

BENCH MARK 20EAM LOCATED IN THE SE 1/4 OF SECTION 35, T8S, R21E, S.L.B.&M. TAKEN FROM THE OURAY SE, QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 4697 FEET.

BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH

LEGEND:

- └ = 90° SYMBOL
- ● = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.
- △ = SECTION CORNERS RE-ESTABLISHED BY DOUBLE PROPORTION METHOD (Not Set On Ground)

(NAD 83)
LATITUDE = 40°02'35.22" (40.043117)
LONGITUDE = 109°26'00.15" (109.433375)
(NAD 27)
LATITUDE = 40°02'35.35" (40.043153)
LONGITUDE = 109°25'57.69" (109.432692)

UINTAH ENGINEERING & LAND SURVEYING
85 SOUTH 200 EAST - VERNAL, UTAH 84078
(435) 789-1017

SCALE: 1" = 1000'	DATE SURVEYED: 06-29-06	DATE DRAWN: 07-03-06
PARTY: G.S. B.C. S.L.	REFERENCES: G.L.O. PLAT	
WEATHER: WARM	FILE: EOG RESOURCES, INC.	

EIGHT POINT PLAN

CHAPITA WELLS UNIT 1270-15
NW/NW, SEC. 15, T9S, R22E, S.L.B.&M..
UINTAH COUNTY, UTAH

1. & 2. ESTIMATED TOPS & ANTICIPATED OIL, GAS, & WATER ZONES:

FORMATION	DEPTH (KB)
Green River FM	1,879'
Wasatch	4,970'
Chapita Wells	5,574'
Buck Canyon	6,261'
North Horn	6,864'
Island	7,156'
KMV Price River	7,453'
KMV Price River Middle	8,352'
KMV Price River Lower	9,116'
Sego	9,663'

Estimated TD: **9,831' or 200'± below Sego top** **Anticipated BHP: 5,368 Psig**

1. Fresh Waters may exist in the upper, approximately 1,000 ft ± of the Green River Formation, with top at about 2,000 ft ±.
2. Cement isolation is installed to surface of the well isolating all zones by cement.

3. PRESSURE CONTROL EQUIPMENT:

Production Hole – 5000 Psig
BOP schematic diagrams attached.

4. CASING PROGRAM:

	HOLE SIZE	INTERVAL	SIZE	WEIGHT	GRADE	THREAD	RATING FACTOR COLLAPSE	/BURST/	TENSILE
Conductor:	17 ½"	0' – 45'	13 ⅜"	48.0#	H-40	STC	770 PSI	1730 PSI	322,000#
Surface	12-1/4"	45' – 2,300'KB±	9-⅝"	36.0#	J-55	STC	2020 PSI	3520 Psi	394,000#
Production:	7-7/8"	2,300'± – TD	4-½"	11.6#	N-80	LTC	6350 PSI	7780 Psi	223,000#

Note: 12-¼" surface hole will be drilled to a total depth of 200'± below the base of the Green River lost circulation zone and cased w/9-⅝" as shown to that depth. Drilled depth may be shallower or deeper than the 2300' shown above depending on the actual depth of the loss zone. All casing will be new or inspected.

5. Float Equipment:

Surface Hole Procedure (0'- 2300'±)

Guide Shoe
Insert Float Collar (PDC drillable)
Centralizers: 1-5' above shoe, top of jts. #2 and #3 then every 5th joint to surface. (15 total)

Float Equipment: (Cont'd)

Production Hole Procedure (2300'± - TD):

Float shoe, 1 joint casing, float collar and balance of casing to surface. 4-½", 11.6#, N-80 or equivalent marker collars or short casing joints to be placed at top of Price River and 400' above top of Wasatch. Centralizers to be placed 5' above shoe on joint #1, top of joint #2, and every 2nd joint to 400' above Wasatch Island top. Thread lock float shoe, top and bottom of float collar, and top of 2nd joint.

6. MUD PROGRAM

Surface Hole Procedure (Surface - 2300'±):

Air/air mist or aerated water.

Production Hole Procedure (2300'± - TD): Anticipated mud weight 9.5 – 10.5 ppg depending on actual wellbore conditions encountered while drilling.

2300'± - TD A closed mud system will be utilized. A bentonite gelled water mud system will be used to control viscosity w/PHPA polymer used for supplemental viscosity and clay encapsulation/inhibition. Water loss will be maintained at <15cc's using white starch or PAC. Bactericides will be used as needed. Anticipated pH will range from 9.0-10.0. Mud weight will be adjusted as necessary for well control. Deflocculants/thinners will be used as necessary to maintain mud quality. LCM sweeps will be utilized as necessary to control lost circulation and mud loss. CO2 contamination, if encountered, will be treated with lime and gypsum.

7. VARIANCE REQUESTS:

Reference: **Onshore Oil and Gas Order No. 2 – Item E: Special Drilling Operations**

EOG Resources, Inc. requests a variance to regulations requiring the blooie line to be 100' in length. Due to reduce location excavation, the blooie line will be approximately 75' in length

8. EVALUATION PROGRAM:

Logs: Mud log from base of surface casing to TD.
Cased-hole Logs: Cased-hole logs will be run in lieu of open-hole logs consisting of the following: **Cement Bond / Casing Collar Locator and Pulsed Neutron**

EIGHT POINT PLAN

CHAPITA WELLS UNIT 1270-15
NW/NW, SEC. 15, T9S, R22E, S.L.B.&M..
UINTAH COUNTY, UTAH

9. CEMENT PROGRAM:

Surface Hole Procedure (Surface - 2300'±):

Lead: Class "G" cement with 16% Gel, 10 #/sx Gilsonite, 3% Salt, 2% $CaCl_2$, 3 lb/sx GR3 ¼ #/sx Flocele mixed at 11 ppg, 3.82 ft^3/sk. yield, 23 gps water.

Tail: Class "G" cement with 2% $CaCl_2$, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft^3/sk., 5.2 gps water.

Top Out: As necessary with Class "G" cement with 2% $CaCl_2$, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft^3/sk., 5.2 gps water.

Note: Cement volumes will be calculated to bring lead cement to surface and tail cement to 500'above the casing shoe.

Production Hole Procedure (2300'± - TD)

Lead: **150 sks:** Hi-Lift "G" w/12% D20 (Bentonite), 1% D79 (Extender), 5% D44 (Salt),0.2% D46 (Antifoam), 0.25% D112 (Fluid Loss Additive), 0.25 pps D29 (cello flakes) mixed at 11.0 ppg, 3.91 ft^3/sk., 24.5 gps water.

Tail: **902 sks**: 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 ft^3/sk., 5.9gps water.

Note: The above number of sacks is based on gauge-hole calculation.
Lead volume to be calculated to bring cement to 200'± above 9-5/8" casing shoe.
Tail volume to be calculated to bring cement to 400'± above top of Wasatch.
Final Cement volumes will be based upon gauge-hole plus 45% excess.

10. ABNORMAL CONDITIONS:

Surface Hole (Surface - 2300'±):

Lost circulation

Production Hole (2300'± - TD):
Sloughing shales, lost circulation and key seat development are possible in the Wasatch Formation.

EIGHT POINT PLAN

CHAPITA WELLS UNIT 1270-15
NW/NW, SEC. 15, T9S, R22E, S.L.B.&M..
UINTAH COUNTY, UTAH

11. STANDARD REQUIRED EQUIPMENT:

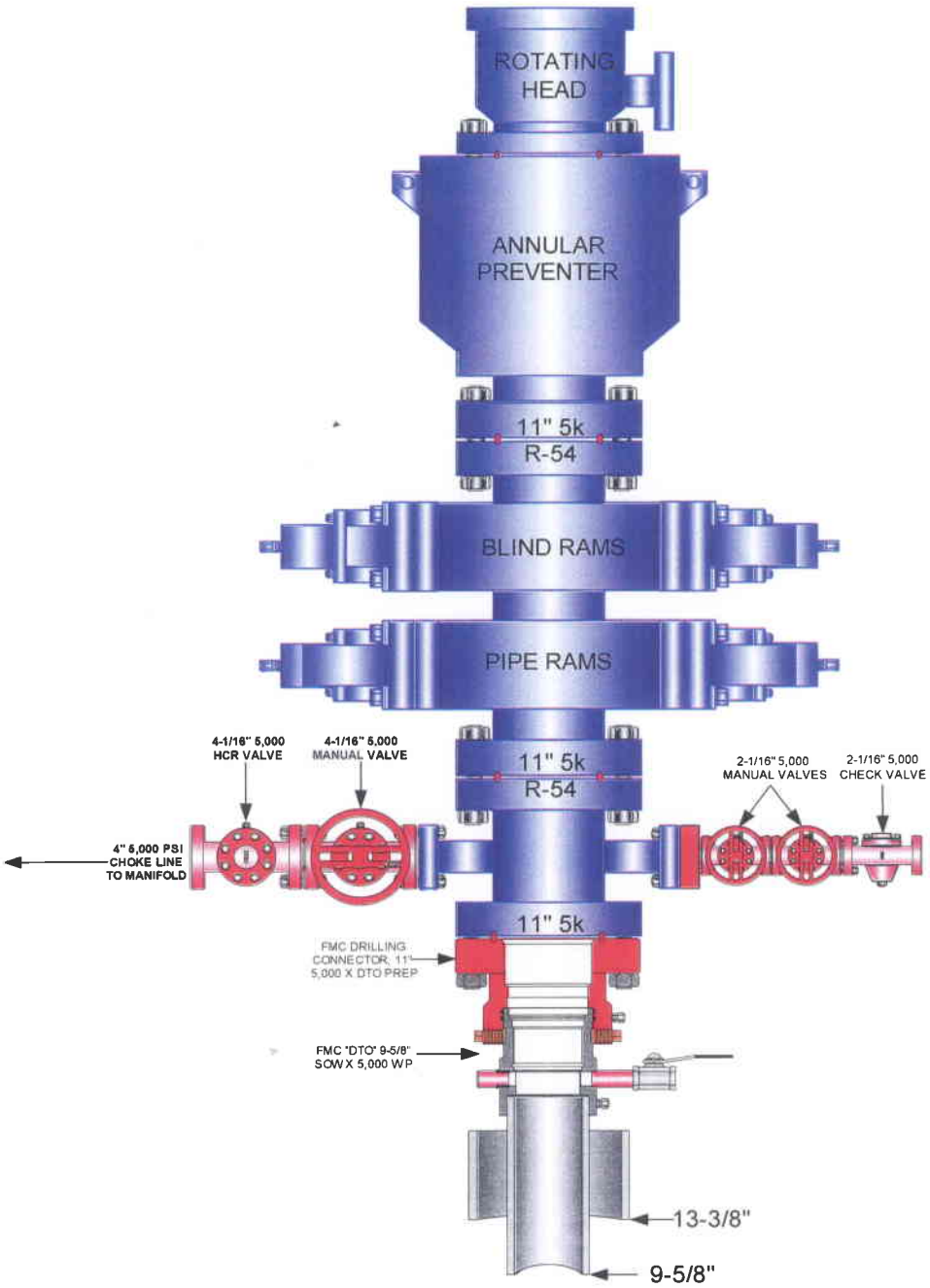
A. Choke Manifold
B. Upper and Lower Kelly Cock
C. Stabbing Valve
D. Visual Mud Monitoring

12. HAZARDOUS CHEMICALS:

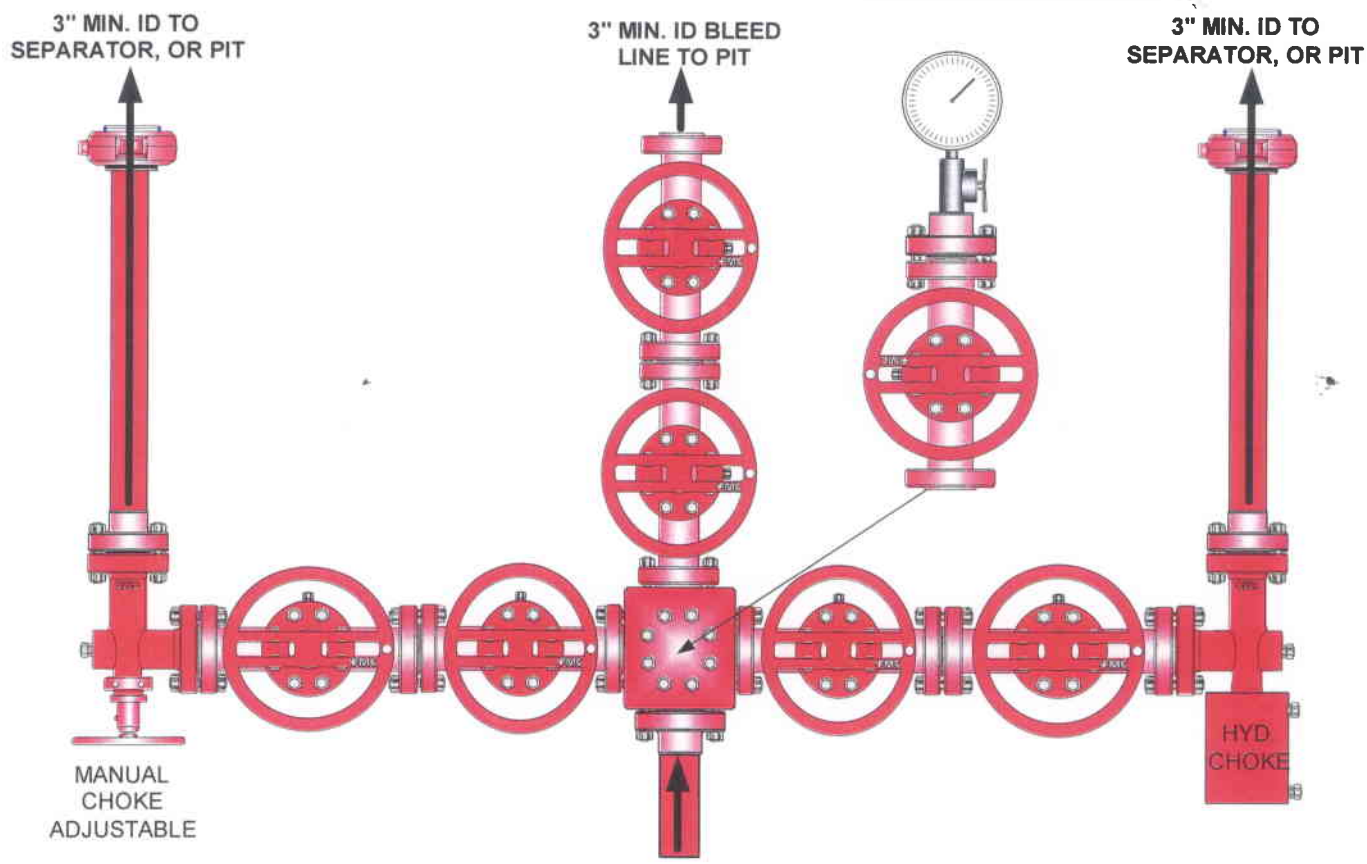
No chemicals subject to reporting under SARA title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

(Attachment: BOP Schematic Diagram)

EOG RESOURCES 11" 5,000 PSI W.P. BOP CONFIGURATION



EOG RESOURCES CHOKE MANIFOLD CONFIGURATION W/ 5,000 PSI WP VALVES



Testing Procedure:

1. BOP will be tested with a professional tester to conform to Onshore Order #2.
2. Blind and Pipe rams will be tested to rated working pressure, 5,000 psi.
3. Annular Preventer will be tested to 50% working pressure, 2,500 psi.
   Casing will be tested to 0.22 psi / ft. or 1,500 psi. Not to exceed 70% of burst strength, whichever is greater.
4. All lines subject to well pressure will be tested to the same pressure as blind and pipe rams.
5. All BOPE specifications and configurations will meet Onshore Order #2 requirements.

eog resources

CHAPITA WELLS UNIT 1270-15
NWNW, Section 15, T9S, R22E
Uintah County, Utah

SURFACE USE PLAN

NOTIFICATION REQUIREMENTS

Location Construction:	Forty-eight (48) hours prior to construction of location and access roads.
Location Completion:	Prior to moving on the drilling rig.
Spud Notice:	At least twenty-four (24) hours prior to spudding the well.
Casing String and Cementing:	Twenty-four (24) hours prior to running casing and cementing all casing strings.
BOP and related Equipment Tests:	Twenty-four (24) hours prior to running casing and tests.
First Production Notice:	Within five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days.

For more specific details on notification requirements, please check the Conditions of Approval for Notice to Drill and Surface Use Program.

The well pad is approximately 325 feet long with a 246-foot width, containing 1.84 acres more or less. The well access road is approximately 210 feet long with a 30-foot right-of-way, disturbing approximately 0.14 acre. New surface disturbance associated with access road and the well pad is estimated to be approximately 1.96 acres. The pipeline is approximately 2525' with a 40-foot right-of-way, disturbing 0.98 acre.

1. EXISTING ROADS:

A. See attached Wellsite Plats showing directional reference stakes on location, and attached TOPO Map "B" showing access to location from existing roads.

B. The proposed well site is located approximately 47.7 miles south of Vernal, Utah – See attached TOPO Map "A".

C. Refer to attached Topographic Map "A" showing labeled access route to location.

D. Existing roads will be maintained and repaired as necessary.

2. PLANNED ACCESS ROAD:

A. The access road will be approximately 210' in length.

B. The access road has a 30 foot ROW w/18 foot running surface.

C. Maximum grade of the new access road will be 8 percent.

D. No turnouts will be required.

E. Road drainage crossings shall be of the typical dry creek drainage crossing type.

F. No bridges, or major cuts and fills will be required.

G. The access road will be dirt surface.

H. No gates, cattleguards, or fences will be required or encountered.

New or reconstructed roads will be centerlined – flagged at time of location staking.

Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation or debris in the drainage crossings nor shall the drainages be blocked by the roadbed. Erosion of drainage ditches by run off water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around then avoided.

As operator, EOG Resources, Inc. shall be responsible for all maintenance on cattleguards, or gates associated with this oil and/or gas operation.

Traveling off the 30 foot right-of-way will not be allowed. The access road and associated drainage structures will be constructed and maintained in accordance with road guidelines contained in the joint BLM/USFS publication: Surface Operating Standards for Oil and Gas Exploration and Development, Third Edition, and/or BLM Manual Section 9113 concerning road construction standards on projects subject to federal jurisdiction. During the drilling and production phase of operations, the road surface and shoulders will be kept in a safe and useable condition and drainage ditches and culverts will be kept clear and free flowing.

3. *LOCATION OF EXISTING WELLS WITHIN A ONE-MILE RADIUS:*

See attached TOPO map "C" for the location of wells within a one-mile radius.

4. *LOCATION OF EXISTING AND/OR PROPOSED PRODUCTION FACILITIES:*

A. On Well Pad

1. Production facilities will be set on location if the well is successfully completed for production. Facilities will consist of wellhead valves, combo separator-dehy unit with meter, two (2) 400 BBL vertical tanks and attaching piping.

2. Gas gathering lines – A 4" gathering line will be buried from dehy to the edge of the location.

B. Off Well Pad

1. Proposed location of attendant off pad flowlines shall be flagged prior to archaeological clearance.

2. The length of the new proposed pipeline is 2525' x 40'. The proposed pipeline leaves the eastern edge of the well pad proceeding in a westerly then northerly direction for an approximate distance of 2525' tieing into an existing pipeline located in the SWSW of Section 10, T9S, R22E (Lease U-0281).

3. Pipe will be 4" NOM, 0.156 wall, Grade X42, Zap-Lok, electric weld with a 35 mil X-Tru coating.

4. Proposed pipeline will be a 4" OD steel, Zap-Lok line laid on the surface.

5. Protective measures and devices for livestock and wildlife will be taken and /or installed where required.

If storage facilities/tank batteries are constructed on this lease, the facility/battery or the well pad shall be surrounded by a containment dike of sufficient capacity to contain, at a minimum, the entire contents of the largest tank within the facility/battery, unless more stringent protective requirements are deemed necessary by the authorized officer.

All permanent (on site for six months or longer) structures constructed or installed (including pumping units) will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the Rocky Mountain Five State Interagency

Committee. All facilities will be painted within 6 months of installation. **All existing facilities will be painted with Carlsbad Canyon.** Facilities required to comply with O.S.H.A. (Occupational Safety and Health Act) will be excluded.

5. *LOCATION AND TYPE OF WATER SUPPLY:*

A. Water supply will be from Ouray Municipal Water Plant at Ouray, Utah, and/ or Target Trucking Inc.'s water source in the SW/SW. Sec 35, T9S, R22E Uintah County, Utah (State Water Right # 49-1501, and/or Bonzana Power Plant water source in Sec 26, T8S, R23E Uintah County, UT (State Water Right # 49-225(A31368)). Water will be hauled by a licensed trucking company.

B. Water will be hauled by a licensed trucking company.

C. No water well will be drilled on lease.

6. *SOURCE OF CONSTRUCTION MATERIALS:*

A. All construction material for this location and access road will be of native borrow and soil accumulated during the construction of the location.

B. No mineral materials will be required.

7. *METHODS OF HANDLING WASTE DISPOSAL:*

A. METHODS AND LOCATION

1. Cuttings will be confined in the reserve pit.

2. A portable toilet will be provided for human waste during the drilling and completion of the well. Disposal will be at the Vernal sewage disposal plant.

3. Burning will not be allowed. Trash and other waste material will be contained in a wire mesh cage and disposed of at the Uintah County Landfill.

4. Produced wastewater will be confined to a lined pit or storage tank for a period not to exceed 90 days after initial production. After the 90 day period, the produced water will be contained in a tank on location and then disposed of at one of the following three locations: Natural Buttes Unit 21-20B SWD, Ace Disposal, Chapita Wells Unit 550-30SWD or EOG Resources, Inc. drilling operations (Chapita Wells Unit, Natural Buttes Unit & Stagecoach Unit).

5. All chemicals will be disposed of at an authorized disposal site. Drip pans and absorbent pads will be used on the drilling rig to avoid leakage of oil to the pit.

B. Water from drilling fluids and recovered during testing operations will be disposed of by either evaporating in the reserve pit or by removed and disposed of at an authorized disposal site. Introduction of well bore hydrocarbons to the reserve pit will be avoided by flaring them off in the flare pit at the time of recovery.

The reserve pit will be constructed so as not to leak, break, or allow discharge. If the reserve pit requires padding prior to lining (due to rocky conditions) felt padding will be used.

The reserve pit shall be lined with felt and a 12 millimeter plastic liner.

EOG Resources, Inc. maintains a file, per 29 CFR 1910.1200 (g) containing current Material Safety Data Sheets (MSDS) for all chemicals, compounds, and/or substances which are used during the course of construction, drilling, completion, and production operations for this project. Hazardous materials (substances) which may be found at the site may include drilling mud and cementing products which are primarily inhalation hazards, fuels (flammable and/or combustible), materials that may be necessary for well completion/ stimulation activities such as flammable or combustible substances and acids/gels (corrosives). The opportunity for Superfund Amendments and Reauthorization Act (SARA) listed Extremely Hazardous Substances (EHS) at the site is generally limited to proprietary treating chemicals. All hazardous and EHS and commercial preparations will be handled in an appropriate manner to minimize the potential for leaks or spills to the environment.

8. *ANCILLARY FACILITIES:*

None anticipated.

9. *WELL SITE LAYOUT:*

A. Refer to attached well site plat for related topography cuts and fills and cross sections.

B. Refer to attached well site plat for rig layout and soil material stockpile location as approved on On-site.

C. Refer to attached well site plat for rig orientation, parking areas, and access road.

The reserve pit will be located on the East corner of the location. The flare pit will be located downwind of the prevailing wind direction on the east side of the location, a minimum of 100 feet from the well head and 30 feet from the reserve pit fence.

The stockpiled pit topsoil will be stored separate from the location topsoil West of Corner #5. The stockpiled location topsoil will be stored between Corners #8 and #6. Upon completion of construction, the stockpiled topsoil from the location will be broadcast seeded with the approved seed mixture from this location and then walked down with a Caterpiller tractor.

Access to the well pad will be from the East.

FENCING REQUIREMENTS:

All pits will be fenced according to the following minimum standards:

A. Thirty-nine inch net wire shall be used with at least one strand of barbed wire on top of the net wire. (Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.)

B. The net wire shall be no more than 2 inches above the ground. The barbed wire strand shall be 3 inches above the net wire. Total height of the fence shall be at least 42 inches.

C. Corner posts shall be cemented and/or braced in such a manner as to keep the fence tight at all times.

D. Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distances between any two posts shall be no greater than 16 feet.

E. All wire shall be stretched by using a stretching device before it is attached to the corner posts.

The reserve pit fencing will be on the three sides during drilling operations and on the fourth side when the rig moves off location. Pits will be fenced and maintained until clean-up.

Each existing fence to be crossed by the access road shall be braced and tied off before cutting so as to prevent slacking of the wire. The opening shall be closed temporarily as necessary during construction to prevent the escape of livestock, and, upon completion of construction, the fence shall be repaired to BLM or SMA specifications. A cattleguard with an adjacent 16 foot gate shall be installed in any fence where a road is regularly traveled. If the well is a producer, the cattleguards (shall/shall not) be permanently counted on concrete bases. Prior to crossing any fence located on Federal land, or any fence between Federal land and private land, the operator will contact the BLM, who will in turn contact the grazing permittee or owner of said fence and offer him/her the opportunity to be present when the fence is cut in order to satisfy himself/herself that the fence is adequately braced and tied off.

10. PLANS FOR RECLAMATION OF THE SURFACE:

A. *Producing Location*

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, debris, materials, trash, and junk not required for production.

Immediately upon well completion, any hydrocarbons on the pit shall be removed in accordance with CFR 3162.7-1.

If a plastic nylon reinforced liner is used, it shall be torn and perforated before backfilling of the reserve pit.

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. The stockpiled pit topsoil will then be spread over the pit area and broadcast seeded with the prescribed seed mixture for this location. The seeded area will then be walked down with a cat.

Seed Mixture	Drilled Rate (lbs./acre PLS*)
Hy Crested Wheat Grass	6.0
Needle & Thread Grass	6.0

*Pure live seed (PLS) formula: percent of purity of seed mixture times percent germination of seed mixture equals portion of seed mixture that is PLS.

B. Dry Hole/Abandoned Location

At such time as the well is plugged and abandoned, the operator will submit a subsequent report of abandonment and the BLM will attach the appropriated surface rehabilitation conditions of approval.

Seed Mixture	Drilled Rate (lbs./acre PLS*)
Wyoming Big Sage	3.0
Needle and Thread Grass	3.0
Hi-Crest Crested Wheat Grass	1.0
Winter Fat	1.0

*Pure live seed (PLS) formula: percent of purity of seed mixture times percent germination of seed mixture equals portion of seed mixture that is PLS.

11. SURFACE OWNERSHIP:

Surface ownership of the proposed well site, access road, and pipeline route is as follows:

Bureau of Land Management

12. OTHER INFORMATION:

A. EOG Resources, Inc. will inform all persons in the area who are associated with this project that they are subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator will immediately stop work that might further disturb such materials, and contact the Authorized Officer. Within five working days the Authorized Officer will inform the operator as to:

- Whether the materials appear eligible for the National Register of Historic Places;

- The mitigation measures the operator will likely have to undertake before the site can be used.

- A time frame for the Authorized Officer to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the Authorized Officer are correct and that mitigation is appropriate.

If the operator wished, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the Authorized Officer will assume responsibility for whatever recordation and stabilization of the exposed materials that may be required. Otherwise, the operator will be responsible for mitigation costs. The Authorized Officer will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the Authorized Officer that required mitigation has been completed, the operator will then be allowed to resume construction.

B. As operator, EOG Resources, Inc. will control noxious weeds along Right-of-Ways for roads, pipelines, well sites, or other applicable facilities. A list of noxious weeds will be obtained from the BLM administered land, a Pesticide Use proposal shall be submitted, and given approval, prior to the application or herbicides or other pesticides or possible hazardous chemicals.

C. The drilling rig and ancillary equipment will be removed from the location prior to commencement of completion operations. Completion operations will be conducted utilizing a completion/workover rig.

D. Drilling rigs and/or equipment used during drilling operations on this well site will not be stacked or stored on BLM lands after the conclusion of drilling operations or at any other time without BLM authorization. However, if BLM authorization is obtained, it is only a temporary measure to allow time to make arrangements for permanent storage on commercial facilities. (The BLM does not seek to compete with private industry. There are commercial facilities available for stacking and storing drilling rigs.)

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice of Lessees. The operator is fully responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

Construction activity will not be conducted using frozen or saturated soils material or during periods when watershed damage is likely to occur.

If the existing access road, proposed access road, and proposed pad are dry during construction, drilling, and completion activities, water will be applied to help facilitate compaction during construction and to minimize soil loss as a result of wind erosion.

A cultural resources survey was conducted and will be submitted by Montgomery Archaeological Consultants. A Paleontology survey was conducted and will be submitted by Stephen Sandau.

LESSEE OR OPERATOR'S REPRESENTATIVE AND CERTIFICATION:

PERMITTING AGENT
Kaylene R. Gardner
EOG Resources, Inc.
P.O. Box 1815
Vernal, Ut 84078
(435) 781-9111

DRILLING OPERATIONS
Donald Presenkowski
EOG Resources, Inc.
P.O. Box 250
Big Piney, WY 83113
307-276-4865

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by EOG Resources, Inc. and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

Please be advised that EOG Resources, Inc. is considered to be the operator of the Chapita Wells Unit 1270-15 Well, located in the NWNW, of Section 15, T9S, R22E, Uintah County, Utah; Federal land and minerals; and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond Coverage is under Bond # NM 2308.

August 3, 2006
Date

Kaylene R. Gardner Regulatory Assistant

Request for Exception to Buried Pipeline Requirement
Chapita Wells Unit 1270-15
NWNW, Sec. 15, T9S, R22E
U-0283A

EOG Resources, Inc. requests a variance to the requirement for a buried gas sales pipeline for the referenced well for the following reasons:

1. In order to bury pipe on the gas sales line route, additional surface disturbance relative to surface pipeline would be approximately *50' X Length* acres.
2. Ripping, cutting, or blasting of rock would be required, which in turn would leave long-term spoils on the right-of-way.
3. The disturbed soils on the pipeline corridor would be difficult to rehabilitate and would be susceptible to noxious weed infestation, which in turn would be hazardous to livestock.
4. Supplemental soil to replace removed rock would need to be hauled in from other locations to provide bedding and cover material.
5. The buried pipe would need to be coated and/or wrapped to minimize the potential for corrosion-caused gas leaks and blowouts.
6. Burying of pipe next to access roads increases the potential for damage, explosion, and fire when using graders and/or dozers for snow removal or road rehabilitation.
7. Surface equipment, including risers with blow down valves and pipeline markers will be required, adding to negative visual impact.
8. Disturbance of previously rehabilitated pipeline corridor could be necessary if increasing well density requires crossing of the corridor or location construction on the corridor.
9. Pipeline corridors subject to poor rehabilitation characteristics are susceptible to high rates of soil erosion.
10. Buried shallow pipelines in low areas subject to the occasional presence of standing water are susceptible to movement and surfacing.

EOG RESOURCES, INC.

CWU #1270-15

LOCATED IN UINTAH COUNTY, UTAH
SECTION 15, T9S, R22E, S.L.B.&M.

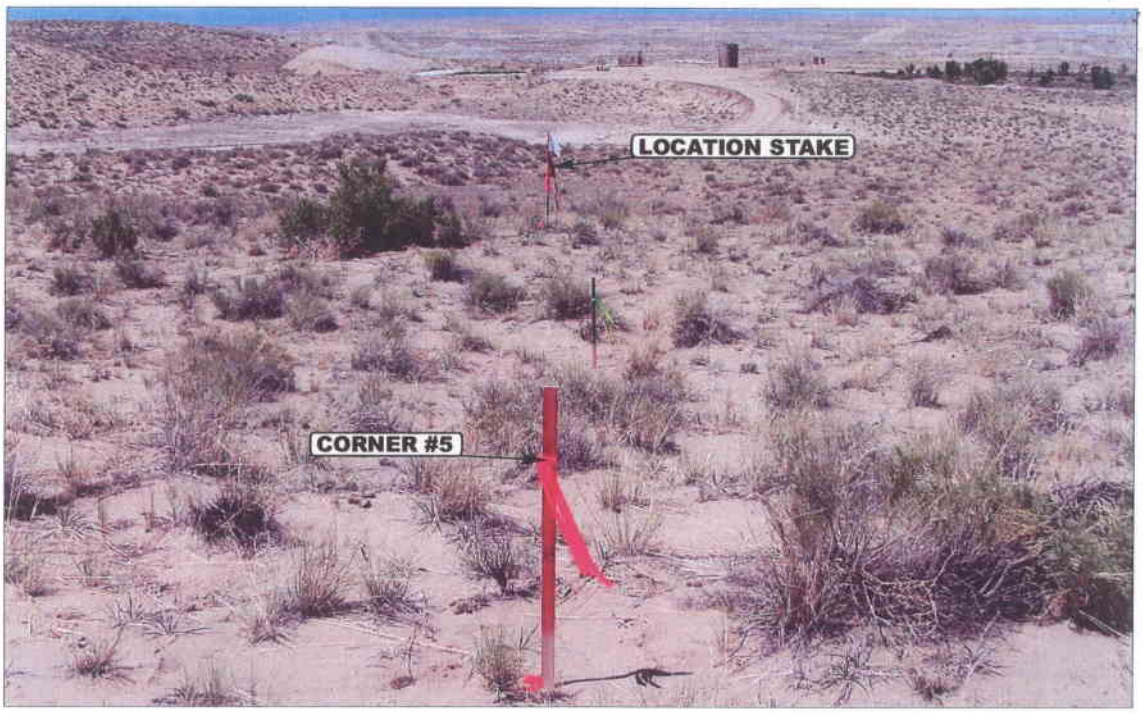


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE **CAMERA ANGLE: NORTHWESTERLY**

PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS **CAMERA ANGLE: NORTHEASTERLY**

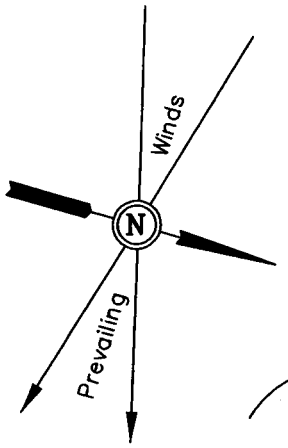
- Since 1964 -
Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
435-789-1017 uels@uelsinc.com

LOCATION PHOTOS	06 MONTH	30 DAY	06 YEAR	PHOTO
TAKEN BY: G.S.	DRAWN BY: C.P.	REVISED: 00-00-00		

EOG RESOURCES, INC.

LOCATION LAYOUT FOR

CWU #1270-15
SECTION 15, T9S, R22E, S.L.B.&M.
54' FNL 600' FWL



SCALE: 1" = 50'
DATE: 07-03-06
Drawn By: S.L.

Proposed Access Road

C-7.7'
El. 827.2'

F-10.6'
El. 808.9'

Sta. 3+25

65'

C-4.2'
El. 823.7'

Round Corners as needed

Approx. Toe of Fill Slope

Topsoil Stockpile

DATA

175'

CATWALK

PIPE RACKS

NOTE:
Flare Pit is to be located a min. of 100' from the Well Head.

Pit Topsoil

C-5.9'
El. 825.4'

C-11.6'
El. 831.1'

FLARE PIT

20' WIDE BENCH

46'

29'

36'

135'

DOG HOUSE

RIG

Sta. 1+50

75'

C-6.9'
El. 826.4'

WATER

TRAILER

El. 831.0'
C-23.5'
(btm. pit)

F-14.9'
El. 804.6'

PUMP

MUD SHED

MUD TANKS

TOILET

HOPPER

POWER

FUEL

Sta. 0+50

Reserve Pit Backfill & Spoils Stockpile

15' WIDE BENCH

147'

Total Pit Capacity W/2' Of Freeboard = 12,250 Bbls. ±
Total Pit Volume = 3,320 Cu. Yds.

RESERVE PITS (12' Deep)

SLOPE = 1-1/2 : 1

TOOLS

FUEL

STORAGE TANK

TRASH

150'

Sta. 0+00

20' WIDE BENCH

Topsoil Stockpile

El. 824.3'
C-16.8'
(btm. pit)

C-7.8'
El. 827.3'

C-1.9'
El. 821.4'

F-11.3'
El. 808.2'

Approx. Top of Cut Slope

REGISTERED LAND SURVEYOR
No. 161319
ROBERT L. KAY
STATE OF UTAH

NOTES:

Elev. Ungraded Ground At Loc. Stake = 4825.4'

FINISHED GRADE ELEV. AT LOC. STAKE = 4819.5'

FIGURE #1

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017

EOG RESOURCES, INC.

TYPICAL CROSS SECTIONS FOR

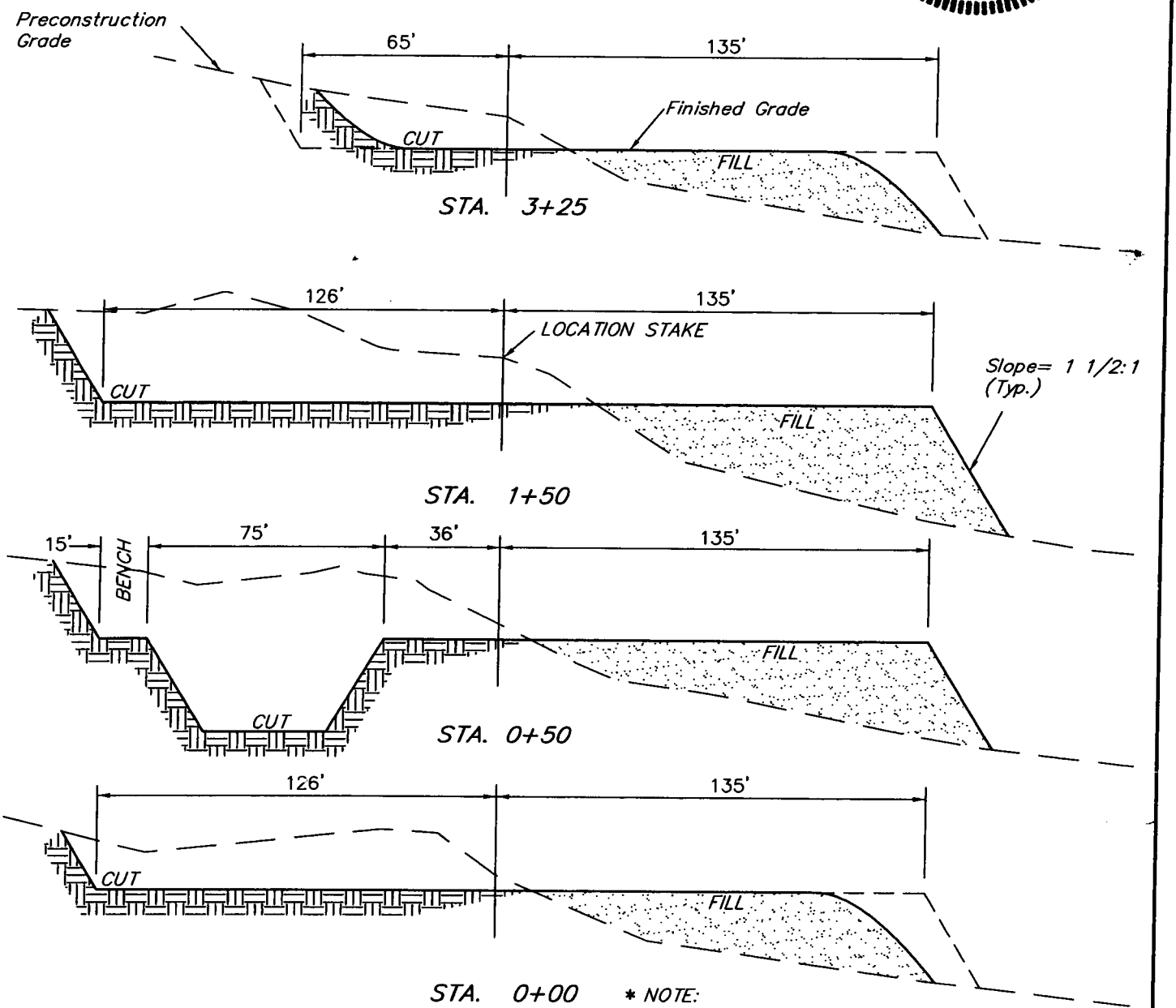
CWU #1270-15
SECTION 15, T9S, R22E, S.L.B.&M.
54' FNL 600' FWL

FIGURE #2

1" = 20'
X-Section Scale
1" = 50'

DATE: 07-03-06
Drawn By: S.L.

REGISTERED LAND SURVEYOR
No. 161319
ROBERT L. KAY
STATE OF UTAH



* NOTE:
FILL QUANTITY INCLUDES 5% FOR COMPACTION

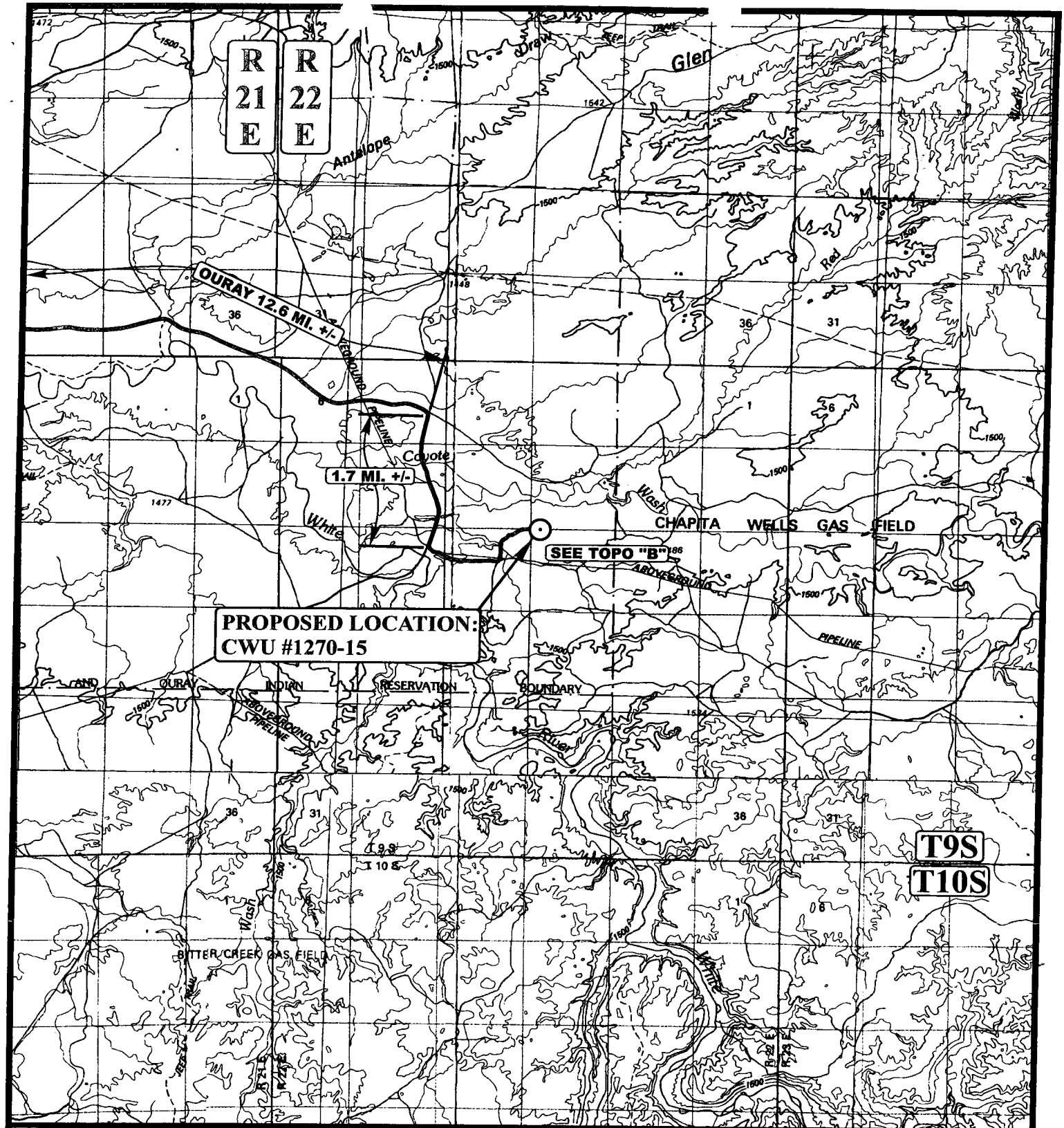
APPROXIMATE YARDAGES

CUT
(6") Topsoil Stripping = 1,840 Cu. Yds.
Remaining Location = 14,690 Cu. Yds.

TOTAL CUT = 16,530 CU.YDS.
FILL = 13,030 CU.YDS.

EXCESS MATERIAL = 3,500 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.) = 3,500 Cu. Yds.
EXCESS UNBALANCE (After Interim Rehabilitation) = 0 Cu. Yds.

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017



LEGEND:

⊙ PROPOSED LOCATION

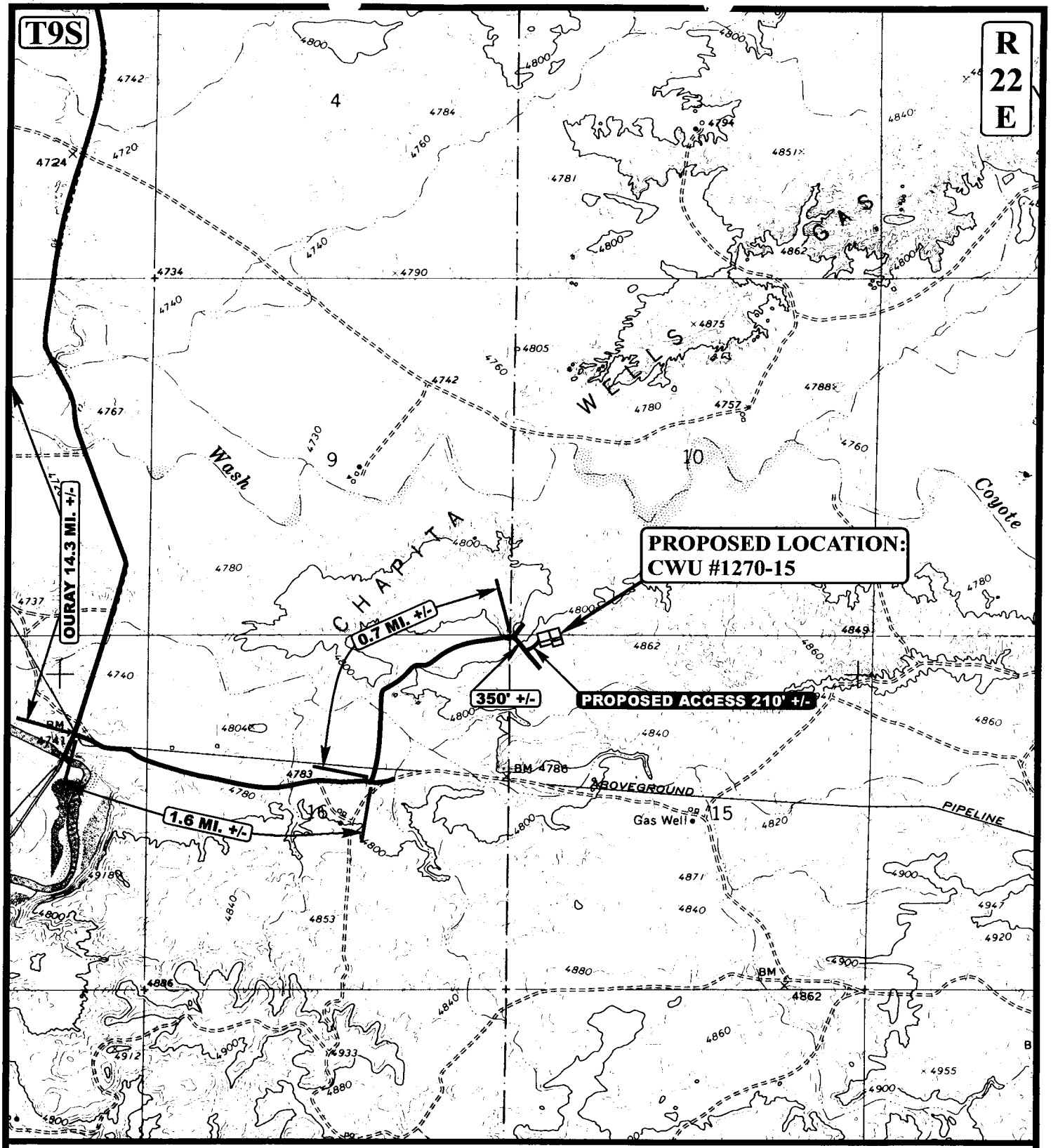
N

EOG RESOURCES, INC.

CWU #1270-15
SECTION 15, T9S, R22E, S.L.B.&M.
54' FNL 600' FWL

Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP	06 MONTH	30 DAY	06 YEAR
SCALE: 1:100,000	DRAWN BY: C.P.	REVISED: 00-00-00	A TOPO



LEGEND:

EXISTING ROAD

PROPOSED ACCESS ROAD

N

EOG RESOURCES, INC.

CWU #1270-15

SECTION 15, T9S, R22E, S.L.B.&M.

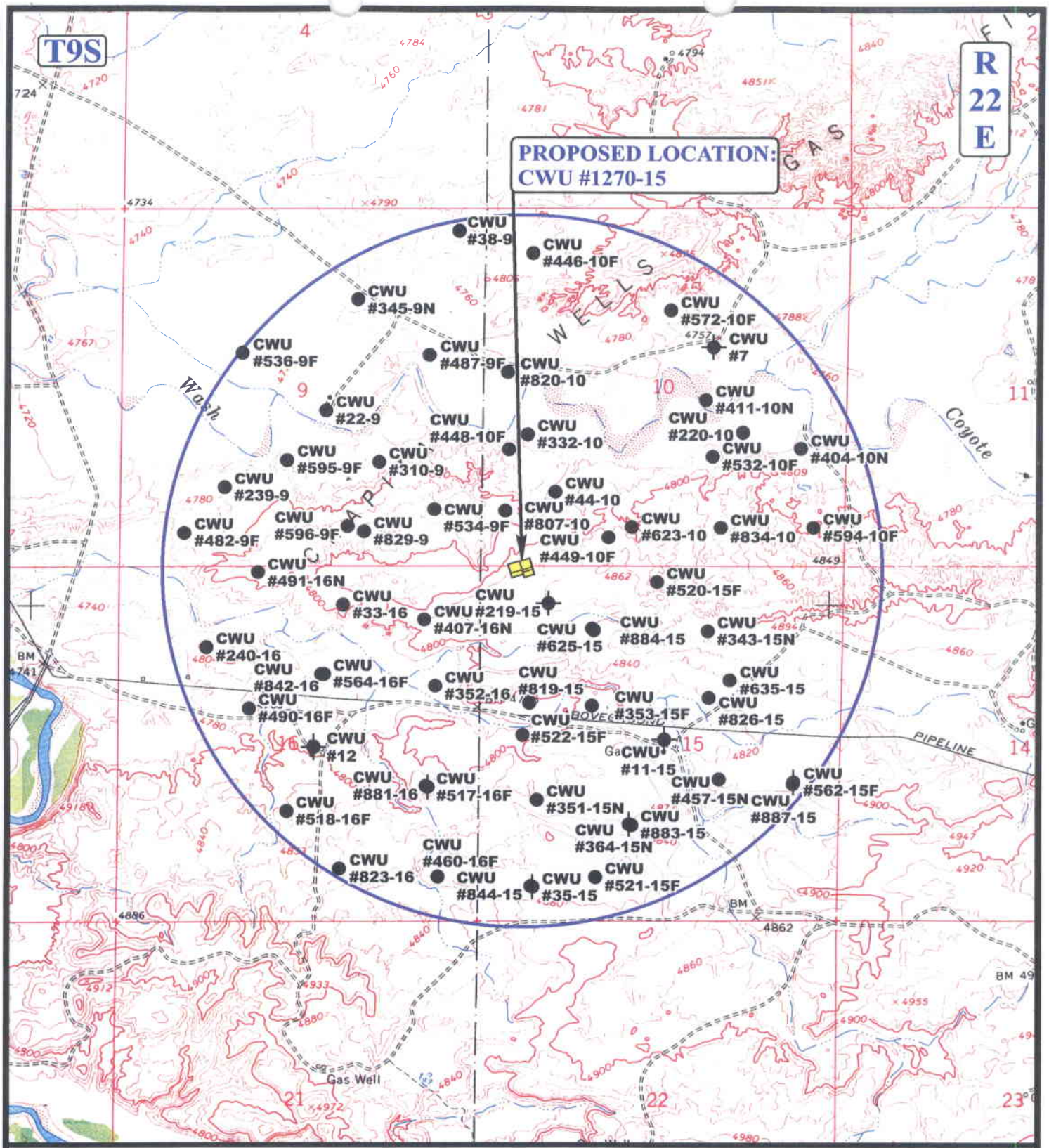
54' FNL 600' FWL

Uintah Engineering & Land Surveying

85 South 200 East Vernal, Utah 84078

(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP	06 MONTH	30 DAY	06 YEAR
SCALE: 1" = 2000'	DRAWN BY: C.P.	REVISED: 00-00-00	B TOPO



LEGEND:

- DISPOSAL WELLS
- PRODUCING WELLS
- SHUT IN WELLS
- WATER WELLS
- ABANDONED WELLS
- TEMPORARILY ABANDONED

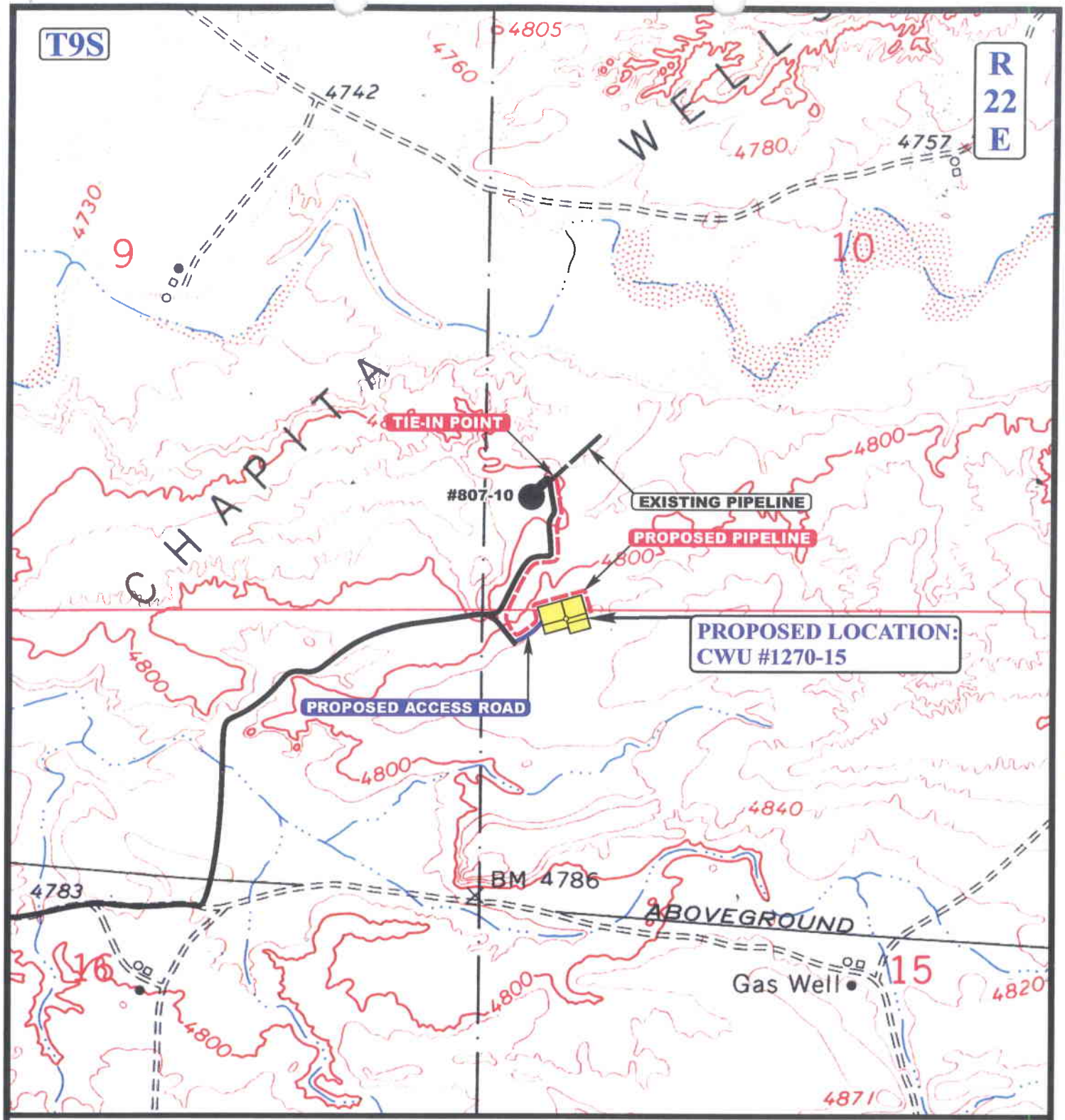
N

EOG RESOURCES, INC.

CWU #1270-15
SECTION 15, T9S, R22E, S.L.B.&M.
54' FNL 600' FWL

Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP	06 MONTH	30 DAY	06 YEAR
SCALE: 1" = 2000'	DRAWN BY: C.P.	REVISED: 00-00-00	C TOPO



APPROXIMATE TOTAL PIPELINE DISTANCE = 2,525' +/-

LEGEND:

PROPOSED ACCESS ROAD
EXISTING PIPELINE
PROPOSED PIPELINE

N

EOG RESOURCES, INC.

CWU #1270-15
SECTION 15, T9S, R22E, S.L.B.&M.
54' FNL 600' FWL

Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP	06 MONTH	30 DAY	06 YEAR	D TOPO
SCALE: 1" = 1000'	DRAWN BY: C.P.	REVISED: 00-00-00		

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 08/14/2006

API NO. ASSIGNED: 43-047-38475

WELL NAME: CWU 1270-15
OPERATOR: EOG RESOURCES INC (N9550)
CONTACT: KAYLENE GARDNER

PHONE NUMBER: 435-781-9111

PROPOSED LOCATION:
NWNW 15 090S 220E
SURFACE: 0054 FNL 0600 FWL
BOTTOM: 0054 FNL 0600 FWL
COUNTY: UINTAH
LATITUDE: 40.04317 LONGITUDE: -109.4327
UTM SURF EASTINGS: 633709 NORTHINGS: 4433515
FIELD NAME: NATURAL BUTTES (630)

INSPECT LOCATN BY: / /		
Tech Review	**Initials**	**Date**
Engineering		
Geology		
Surface		

LEASE TYPE: 1 - Federal
LEASE NUMBER: U-0283-A
SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: PRRV
COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

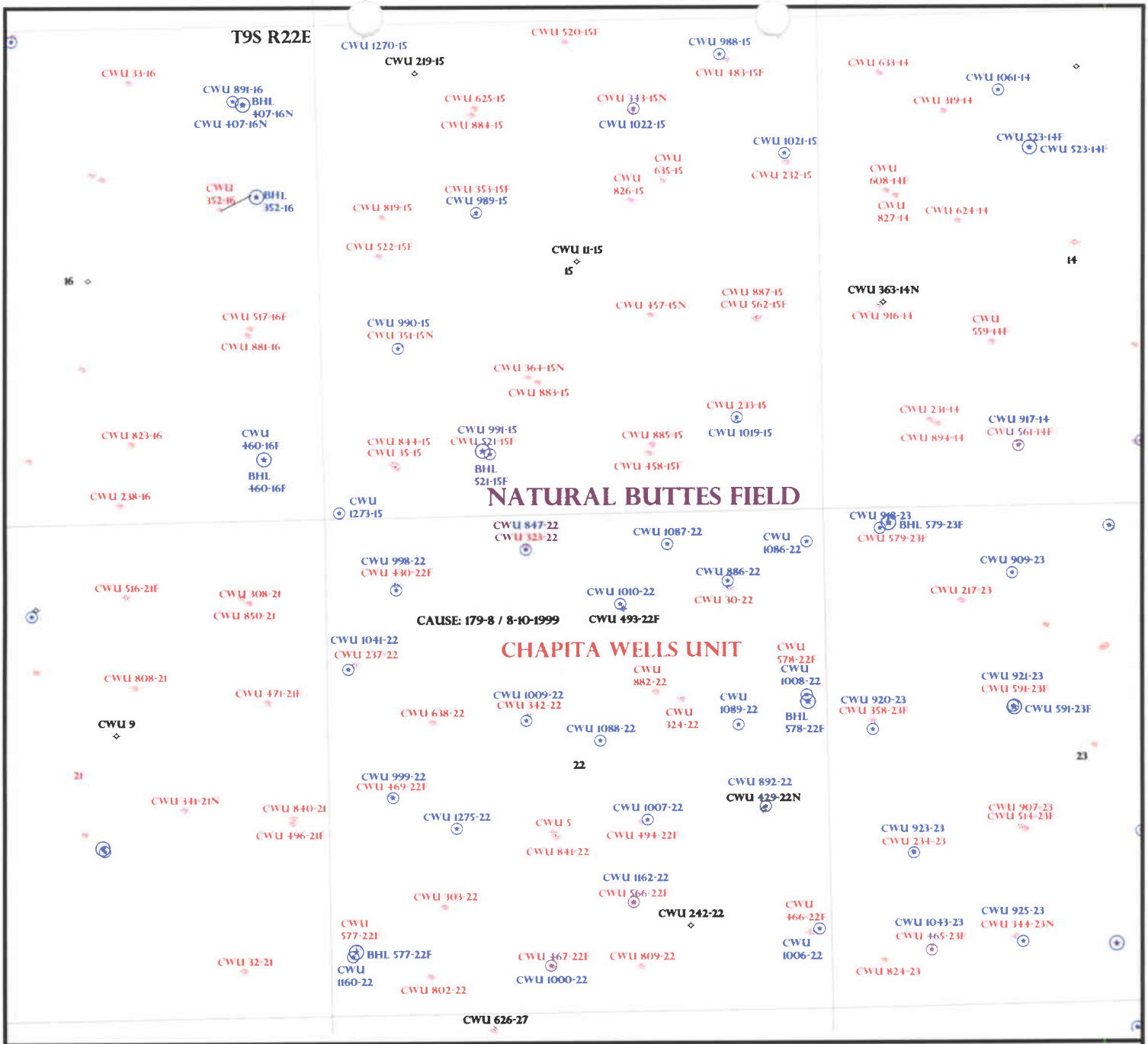
✓ Plat
✓ Bond: Fed[1] Ind[] Sta[] Fee[]
(No. NM 2308)
N Potash (Y/N)
N Oil Shale 190-5 (B) or 190-3 or 190-13
✓ Water Permit
(No. 49-1501)
N RDCC Review (Y/N)
(Date:)
N/A Fee Surf Agreement (Y/N)
N/A Intent to Commingle (Y/N)

LOCATION AND SITING:

___ R649-2-3.
Unit: CHAPITA WELLS
___ R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells
___ R649-3-3. Exception
✓ Drilling Unit
Board Cause No: 179-8
Eff Date: 8-10-1999
Siting: Suspends Spacing Rule
___ R649-3-11. Directional Drill

COMMENTS:

STIPULATIONS: 1- Federal Approval
2 - Oil Shale



OPERATOR: EOG RESOURCES INC (N9550)

SEC: 15,22 T.9S R. 22E

FIELD: NATURAL BUTTES (630)

COUNTY: UINTAH

CAUSE: 179-8 / 8-10-1999

Field Status
- ABANDONED
- ACTIVE
- COMBINED
- INACTIVE
- PROPOSED
- STORAGE
- TERMINATED

Unit Status
- EXPLORATORY
- GAS STORAGE
- NF PP OIL
- NF SECONDARY
- PENDING
- PI OIL
- PP GAS
- PP GEOTHERML
- PP OIL
- SECONDARY
- TERMINATED

Wells Status
- GAS INJECTION
- GAS STORAGE
- LOCATION ABANDONED
- NEW LOCATION
- PLUGGED & ABANDONED
- PRODUCING GAS
- PRODUCING OIL
- SHUT-IN GAS
- SHUT-IN OIL
- TEMP. ABANDONED
- TEST WELL
- WATER INJECTION
- WATER SUPPLY
- WATER DISPOSAL
- DRILLING

Utah Oil Gas and Mining

N
W E
S

PREPARED BY: DIANA WHITNEY

DATE: 15-AUGUST-2006

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, Utah 84145-0155

IN REPLY REFER TO:
3160
(UT-922)

August 15, 2006

Memorandum

To: Assistant District Manager Minerals, Vernal District

From: Michael Coulthard, Petroleum Engineer

Subject: 2006 Plan of Development Chapita Wells Unit Uintah County, Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following wells are planned for calendar year 2006 within the Chapita Wells Unit, Uintah County, Utah.

API #	WELL NAME	LOCATION

(Proposed PZ Price River)

43-047-38474 CWU 1273-15 Sec 15 T09S R22E 0077 FSL 0170 FWL
43-047-38475 CWU 1270-15 Sec 15 T09S R22E 0054 FNL 0600 FWL
43-047-38476 CWU 1275-22 Sec 22 T09S R22E 1980 FSL 1352 FWL

This office has no objection to permitting the wells at this time.

/s/ Michael L. Coulthard

bcc: File - Chapita Wells Unit
Division of Oil Gas and Mining
Central Files
Agr. Sec. Chron
Fluid Chron

MCoulthard:mc:8-15-06

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

August 17, 2006

EOG Resources, Inc.
1060 East Highway 40
Vernal, UT 84078

Re: Chapita Wells Unit 1270-15 Well, 54' FNL, 600' FWL, NW NW, Sec. 15, T. 9 South, R. 22 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann.§ 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-38475.

Sincerely,

Gil Hunt
Associate Director

pab
Enclosures

cc: Uintah County Assessor
Bureau of Land Management, Vernal District Office

1594 West North Temple, Suite 1210, PO Box 145801, Salt Lake City, UT 84114-5801
telephone (801) 538-5340 • facsimile (801) 359-3940 • TTY (801) 538-7458 • *www.ogm.utah.gov*

Operator: EOG Resources, Inc.

Well Name & Number Chapita Wells Unit 1270-15

API Number: 43-047-38475

Lease: U-0283-A

Location: NW NW **Sec.** 15 **T.** 9 South **R.** 22 East

Conditions of Approval

1. General

   Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

   Notify the Division within 24 hours of spudding the well.

   - Contact Carol Daniels at (801) 538-5284.

   Notify the Division prior to commencing operations to plug and abandon the well.

   - Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

   All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. In accordance with Order in Cause No. 190-5(b) dated October 28, 1982, the Operator shall comply with requirements of Rules R649-3-31 and R649-3-27 pertaining to Designated Oil Shale Areas. Additionally, the operator shall ensure that the surface and/or production casing is properly cemented over the entire oil shale interval as defined by Rule R649-3-31. The Operator shall report the actual depth the oil shale is encountered to the Division.

5. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

Form 3160-3
(February 2005)

FORM APPROVED
OMB No. 1004-0137
Expires March 31, 2007

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

5. Lease Serial No.: **U-0283-A**

6. If Indian, Allotee or Tribe Name:

1a. Type of work: [✓] DRILL [ ] REENTER

7. If Unit or CA Agreement, Name and No.: **CHAPITA WELLS UNIT**

1b. Type of Well: [ ] Oil Well [✓] Gas Well [ ] Other [✓] Single Zone [ ] Multiple Zone

8. Lease Name and Well No.: **CHAPITA WELLS UNIT 1270-15**

2. Name of Operator: **EOG RESOURCES, INC**

9. API Well No.: 43-047-38475

3a. Address: **1060 EAST HIGHWAY 40 VERNAL, UT 84078**

3b. Phone No. *(include area code)*: **435-781-9111**

10. Field and Pool, or Exploratory: **NATURAL BUTTES**

4. Location of Well *(Report location clearly and in accordance with any State requirements.*)*

At surface: **54 FNL 600 FWL NW/NW 40.043117 LAT 109.433375 LON**

At proposed prod. zone: **SAME**

11. Sec., T. R. M. or Blk. and Survey or Area: **SECTION 15, T9S, R22E S.L.B.&M**

14. Distance in miles and direction from nearest town or post office*: **47.7 MILES SOUTH OF VERNAL, UTAH**

12. County or Parish: **UINTAH**

13. State: **UT**

15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any): **54**

16. No. of acres in lease: **1360**

17. Spacing Unit dedicated to this well:

18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.: **930**

19. Proposed Depth: **9831**

20. BLM/BIA Bond No. on file: **NM 2308**

21. Elevations (Show whether DF, KDB, RT, GL, etc.): **4825 GL**

22. Approximate date work will start*:

23. Estimated duration: **45 DAYS**

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, must be attached to this form:

1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office).
4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification
6. Such other site specific information and/or plans as may be required by the BLM.

25. Signature: Kaylene R. Gardner — Name *(Printed Typed)*: **KAYLENE R. GARDNER** — Date: **08/03/2006**

Title: **REGULATORY ASSISTANT**

Approved by *(Signature)*: — Name *(Printed Typed)*: JERRY KENCZKA — Date: 1-18-2007

Title: Assistant Field Manager Lands & Mineral Resources — Office: **VERNAL FIELD OFFICE**

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of approval, if any, are attached.

CONDITIONS OF APPROVAL ATTACHED

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*(Instructions on page 2)

Accepted by the Utah Division of Oil, Gas and Mining

FOR RECORD ONLY

RECEIVED
JAN 30 2007
DIV. OF OIL, GAS & MINING

NOTICE OF APPROVAL

RECEIVED
VERNAL FIELD OF
2006 AUG -7 PM 1:
DEPT OF THE INT
BUREAU OF LAND M

Entered in AFMSS
1-11-07

UDOGM

06BM2572A

UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
VERNAL FIELD OFFICE
170 South 500 East VERNAL, UT 84078 (435) 781-4400

CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL

Company:	**EOG Resources, Inc.**	**Location:**	**NWNW, Sec 15, T9S, R22E**
Well No:	**Chapita Wells Unit 1270-15**	**Lease No:**	**UTU-0283-A**
API No:	**43-047-38475**	**Agreement:**	**Chapita Wells Unit**

Petroleum Engineer:	Matt Baker	Office: 435-781-4490	Cell: 435-828-4470
Petroleum Engineer:	Michael Lee	Office: 435-781-4432	Cell: 435-828-7875
Petroleum Engineer:	Jim Ashley	Office: 435-781-4470	
Petroleum Engineer:	Ryan Angus	Office: 435-781-4430	
Supervisory Petroleum Technician:	Jamie Sparger	Office: 435-781-4502	Cell: 435-828-3913
Environmental Scientist:	Paul Buhler	Office: 435-781-4475	Cell: 435-828-4029
Environmental Scientist:	Karl Wright	Office: 435-781-4484	
Natural Resource Specialist:	Holly Villa	Office: 435-781-4404	
Natural Resource Specialist:	Melissa Hawk	Office: 435-781-4476	
Natural Resource Specialist:	Chuck Macdonald	Office: 435-781-4441	
Natural Resource Specialist:	Darren Williams	Office: 435-781-4447	
Natural Resource Specialist:	Verlyn Pindell	Office: 435-781-3402	
After Hours Contact Number: 435-781-4513		Fax: 435-781-4410	

A COPY OF THESE CONDITIONS SHALL BE FURNISHED TO YOUR FIELD REPRESENTATIVE TO INSURE COMPLIANCE

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations. **This permit is approved for a one-year period. An additional year extension may be applied for by sundry notice prior to expiration.**

NOTIFICATION REQUIREMENTS

Location Construction (Notify Paul Buhler)	-	Forty-Eight (48) hours prior to construction of location and access roads.
Location Completion (Notify Paul Buhler)	-	Prior to moving on the drilling rig.
Spud Notice (Notify Petroleum Engineer)	-	Twenty-Four (24) hours prior to spudding the well.
Casing String & Cementing (Notify Jamie Sparger)	-	Twenty-Four (24) hours prior to running casing and cementing all casing strings.
BOP & Related Equipment Tests (Notify Jamie Sparger)	-	Twenty-Four (24) hours prior to initiating pressure tests.
First Production Notice (Notify Petroleum Engineer)	-	Within Five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days.

SURFACE USE PROGRAM
CONDITIONS OF APPROVAL (COAs)

1. Within 90 calendar days of the approval date for this Application for Permit to Drill (APD), the operator/lessee shall submit to the Authorized Officer (AO), on Sundry Notice Form 3160-5, an Interim Surface Reclamation Plan for surface disturbance on well pads, access roads, and pipelines. At a minimum, this will include the reshaping of the pad to the original contour to the extent possible; the respreading of the top soil up to the rig anchor points; and, the area reseeded using appropriate reclamation methods. The AO will provide written approval or concurrence within 30 calendar days of receipt. During interim management of the surface, use the following seed mix:

   9 lbs of Hycrest Crested Wheatgrass and 3 lbs of Kochia Prostrata.

2. Operator shall notify any active gilsonite mining operation within 2 miles of the location 48 hours prior to any blasting during construction for this well.

DOWNHOLE CONDITIONS OF APPROVAL

All provisions outlined in Onshore Oil & Gas Order #2 Drilling Operations shall be strictly adhered to. The following items are emphasized:

SITE SPECIFIC DOWNHOLE CONDITIONS OF APPROVAL

1. Electronic/mechanical mud monitoring equipment shall be required, from surface casing shoe to TD, which shall include as a minimum: pit volume totalizer (PVT); stroke counter; and flow sensor.

2. A formation integrity test shall be performed at the surface casing shoe.

3. A Cement Bond Log (CBL) shall be run in the production casing from the TD to the top of cement. A field copy of the CBL shall be submitted to the BLM Vernal Field Office for review.

Variance Granted:

75 foot long blooie line approved.

DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

1. There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well. Any changes in operation must have prior approval from the BLM, Vernal Field Office Petroleum Engineers.

2. The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.

3. **Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.**

4. Blowout prevention equipment (BOPE) shall remain in use until the well is completed or abandoned. Closing unit controls shall remain unobstructed and readily accessible at all times. Choke manifolds shall be located outside of the rig substructure.

   All BOPE components shall be inspected daily and those inspections shall be recorded in the daily drilling report. Components shall be operated and tested as required by Onshore Oil & Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests shall be performed by a test pump with a chart recorder and **NOT** by the rig pumps. Test shall be reported in the driller's log.

   BOP drills shall be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.

   Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.

No aggressive/fresh hard-banded drill pipe shall be used within casing.

Cement baskets shall not be run on surface casing.

5. The lessee/operator must report all shows of water or water-bearing sands to the BLM. If flowing water is encountered it must be sampled and analyzed (a copy of the analyses to be submitted to the BLM Field Office in Vernal, Utah).

6. All oil and gas shows shall be adequately tested for commercial possibilities, reported, and protected.

7. The lessee/operator must report encounters of all non oil and gas mineral resources (such as gilsonite, tar sands, oil shale, etc.) to the Vernal Field Office in writing within 5 working days of each encounter. Each report shall include the well name/number, well location, date and depth (from KB or GL) of encounter, vertical footage of the encounter and, the name of the person making the report (along with a telephone number) should the BLM need to obtain additional information.

8. No location shall be constructed or moved, no well shall be plugged, and no drilling or workover equipment shall be removed from a well to be placed in a suspended status without prior approval of the BLM, Vernal Field Office. If operations are to be suspended for more than 30 days, prior approval of the BLM, Vernal Field Office shall be obtained and notification given before resumption of operations.

9. Chronologic drilling progress reports shall be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.

   Any change in the program shall be approved by the BLM, Vernal Field Office. "Sundry Notices and Reports on Wells" (Form BLM 3160-5) shall be filed for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.

   Emergency approval may be obtained orally, but such approval does not waive the written report requirement. Any additional construction, reconstruction, or alterations of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground, shall require the filing of a suitable plan pursuant to Onshore Oil & Gas Order No. 1 of 43 CFR 3164.1 and prior approval by the BLM, Vernal Field Office.

   In accordance with 43 CFR 3162.4-3, this well shall be reported on the "Monthly Report of Operations" (Oil and Gas Operations Report ((OGOR)) starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report shall be filed in duplicate, directly with the Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217-0110, or call 1-800-525-7922 (303) 231-3650 for reporting information.

10. Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) shall be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance

with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) shall be submitted only when requested by the BLM, Vernal Field Office.

A cement bond log (CBL) will be run from the production casing shoe to the top of cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.

Please submit an electronic copy of all other logs run on this well in LAS format to UT_VN_Welllogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM.

11. All off-lease storage, off-lease measurement, or commingling on-lease or off-lease shall have prior written approval from the BLM, Vernal Field Office.

    All measurement points shall be identified as point of sales or allocation for royalty determination prior to the installation of facilities.

12. Oil and gas meters shall be calibrated in place prior to any deliveries. The Field Office Petroleum Engineers will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports shall be submitted to the BLM, Vernal Field Office. All measurement facilities will conform to the API standards for liquid hydrocarbons and the AGA standards for natural gas measurement.

13. A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted to the BLM, Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil & Gas Order No. 3.

14. This APD is approved subject to the requirement that, should the well be successfully completed for production, the BLM, Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:

    a. Operator name, address, and telephone number.

    b. Well name and number.

    c. Well location (¼¼, Sec., Twn, Rng, and P.M.).

    d. Date well was placed in a producing status (date of first production for which royalty will be paid).

e. The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).

f. The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.

g. Unit agreement and / or participating area name and number, if applicable.

h. Communitization agreement number, if applicable.

15. Any venting or flaring of gas shall be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from Field Office Petroleum Engineers.

16. All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events as defined in NTL3A, shall be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production

17. Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.

18. Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: **EOG RESOURCES INC**

Well Name: **CWU1270-15**

Api No: **43-047-38475** Lease Type: **FEDERAL**

Section **15** Township **09S** Range **22E** County **UINTAH**

Drilling Contractor **CRAIG'S ROUSTABOUT SERV** RIG # **RATHOLE**

SPUDDED:

Date **08/11/07**

Time **10:30 PM**

How **DRY**

Drilling will Commence:

Reported by **LESS**

Telephone # **(435) 828-0646**

Date **08/13/07** **Signed** **CHD**

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 6

ENTITY ACTION FORM

Operator: EOG RESOURCES, INC.
Operator Account Number: N 9550
Address: 600 17th Street
city Denver
state CO zip 80202
Phone Number: (303) 262-2812

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-36974	CHAPITA WELLS UNIT 991-15		SESW	15	9S	22E	UINTAH
Action Code	**Current Entity Number**	**New Entity Number**	**Spud Date**			**Entity Assignment Effective Date**	
A B	99999	13650	8/11/2007			8/28/07	
Comments: PREV = MVRD							

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-38475	CHAPITA WELLS UNIT 1270-15		NWNW	15	9S	22E	UINTAH
Action Code	**Current Entity Number**	**New Entity Number**	**Spud Date**			**Entity Assignment Effective Date**	
A B	99999	13650	8/11/2007			8/28/07	
Comments: PREV = MVRD							

Well 3

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-38046	NORTH CHAPITA 331-34		NENE	34	8S	22E	UINTAH
Action Code	**Current Entity Number**	**New Entity Number**	**Spud Date**			**Entity Assignment Effective Date**	
C A	99999	16307	8/7/2007			8/28/07	
Comments:							

ACTION CODES:

- **A** - Establish new entity for new well (single well only)
- **B** - Add new well to existing entity (group or unit well)
- **C** - Re-assign well from one existing entity to another existing entity
- **D** - Re-assign well from one existing entity to a new entity
- **E** - Other (Explain in 'comments' section)

Carrie MacDonald
Name (Please Print)

Signature

Operations Clerk
Title

8/21/2007
Date

(5/2000)

RECEIVED
AUG 23 2007

Form 3160-5
(August 2007)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

***SUBMIT IN TRIPLICATE** – Other instructions on page 2.*

5. Lease Serial No.
U-0283-A

6. If Indian, Allottee or Tribe Name

7. If Unit of CA/Agreement, Name and/or No.
Chapita Wells Unit

1. Type of Well
☐ Oil Well ☑ Gas Well ☐ Other

8. Well Name and No.
Chapita Wells Unit 1270-15

2. Name of Operator
EOG Resources, Inc.

9. API Well No.
43-047-38475

3a. Address
600 17th Street, Suite 1000N
Denver, CO 80202

3b. Phone No. *(include area code)*
(303) 262-2812

10. Field and Pool or Exploratory Area
Natural Buttes/Mesaverde

4. Location of Well *(Footage, Sec., T.,R.,M., or Survey Description)*
54' FNL & 600' FWL (NWNW) Sec. 15-T9S-R22E 40.043117 LAT 109.433375 LON

11. Country or Parish, State
Uintah County, Utah

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
☐ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☑ Subsequent Report	☐ Casing Repair	☐ New Construction	☐ Recomplete	☑ Other Well spud
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
☐ Final Abandonment Notice	☐ Convert to Injection	☐ Plug Back	☐ Water Disposal	

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

The referenced well spud on 8/11/2007.

14. I hereby certify that the foregoing is true and correct.
Name *(Printed/Typed)*
Carrie MacDonald

Title Operations Clerk

Signature

Date 08/21/2007

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

AUG 23 2007

Form 3160-5
(August 2007)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS

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***SUBMIT IN TRIPLICATE** – Other instructions on page 2.*

5. Lease Serial No.
U-0283-A

6. If Indian, Allottee or Tribe Name

7. If Unit of CA/Agreement, Name and/or No.
Chapita Wells Unit

1. Type of Well
☐ Oil Well ☑ Gas Well ☐ Other

8. Well Name and No.
Chapita Wells Unit 1270-15

2. Name of Operator
EOG Resources, Inc.

9. API Well No.
43-047-38475

3a. Address
600 17th Street, Suite 1000N
Denver, CO 80202

3b. Phone No. *(include area code)*
(303) 262-2812

10. Field and Pool or Exploratory Area
Natural Buttes/Mesaverde

4. Location of Well *(Footage, Sec., T.,R.,M., or Survey Description)*
54' FNL & 600' FWL (NWNW) Sec. 15-T9S-R22E 40.043117 LAT 109.433375 LON

11. Country or Parish, State
Uintah County, Utah

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
☑ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Subsequent Report	☐ Casing Repair	☐ New Construction	☐ Recomplete	☐ Other _____
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	_____
☐ Final Abandonment Notice	☐ Convert to Injection	☐ Plug Back	☑ Water Disposal	_____

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

EOG Resources, Inc. requests authorization for disposal of produced water from the referenced well to any of the following locations.

1. Natural Buttes Unit 21-20B SWD
2. Chapita Wells Unit 550-30N SWD
3. Ace Disposal
4. RN Industries

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY

14. I hereby certify that the foregoing is true and correct.
Name *(Printed/Typed)*
Carrie MacDonald

Title Operations Clerk

Signature

Date 08/21/2007

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

AUG 23 2007

Form 3160-5
(August 2007)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

5. Lease Serial No.
UTU0283A

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.
CHAPITA WELLS UNI

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

8. Well Name and No.
CHAPITA WELLS UNIT 1270-15

2. Name of Operator
EOG RESOURCES INC
Contact: MARY A MAESTAS
E-Mail: mary_maestas@eogresources.com

9. API Well No.
43-047-38475

3a. Address
600 17TH STREET SUITE 1000N
DENVER, CO 80202

3b. Phone No. (include area code)
Ph: 303-824-5526

10. Field and Pool, or Exploratory
NATURAL BUTTES/MESAVERDE

4. Location of Well *(Footage, Sec., T., R., M., or Survey Description)*
Sec 15 T9S R22E NWNW 54FNL 600FWL
40.04312 N Lat, 109.43338 W Lon

11. County or Parish, and State
UINTAH COUNTY, UT

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
☐ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☒ Subsequent Report	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☒ Other Production Start-up
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
	☐ Convert to Injection	☐ Plug Back	☐ Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

The referenced well was turned to sales on 10/27/2007. Please see the attached operations summary report for drilling and completion operations performed on the subject well.

14. I hereby certify that the foregoing is true and correct.
Electronic Submission #57092 verified by the BLM Well Information System
For EOG RESOURCES INC, sent to the Vernal

Name *(Printed/Typed)* MARY A MAESTAS — Title REGULATORY ASSISTANT

Signature (Electronic Submission) — Date 11/09/2007

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By _____ Title _____ Date _____

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. Office _____

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED**

RECEIVED
NOV 13 2007
DIV. OF OIL, GAS & MINING

WELL CHRONOLOGY REPORT

Report Generated On: 11-09-2007

Well Name	CWU 1270-15	**Well Type**	DEVG	**Division**	DENVER
Field	CHAPITA DEEP	**API #**	43-047-38475	**Well Class**	1SA
County, State	UINTAH, UT	**Spud Date**	09-25-2007	**Class Date**	10-27-2007
Tax Credit	N	**TVD / MD**	9,831/ 9,831	**Property #**	059639
Water Depth	0	**Last CSG**	0.0	**Shoe TVD / MD**	0/ 0
KB / GL Elev	4,833/ 4,820				
Location	Section 15, T9S, R22E, NWNW, 54 FNL & 600 FWL				

Event No	1.0	**Description**	DRILL & COMPLETE		
Operator	EOG RESOURCES, INC	**WI %**	53.7326	**NRI %**	46.21689

AFE No	304197	**AFE Total**	1,945,600	**DHC / CWC**	1,010,500/ 935,100
Rig Contr	TRUE	**Rig Name**	TRUE #27	**Start Date**	08-18-2006 **Release Date** 10-05-2007

08-18-2006 **Reported By** SHARON WHITLOCK

DailyCosts: Drilling	$0	**Completion**	$0	**Daily Total**	$0
Cum Costs: Drilling	$0	**Completion**	$0	**Well Total**	$0

MD	0	**TVD**	0	**Progress**	0	**Days**	0	**MW** 0.0	**Visc** 0.0

Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0

Activity at Report Time: LOCATION DATA

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION DATA
			54' FNL & 600' FWL (NW/NW)
			SECTION 15, T9S, R22E
			UINTAH COUNTY, UTAH
			LAT 40.043117, LONG 109.433375 (NAD 83)
			LAT 40.043153, LONG 109.432692 (NAD 27)
			RIG: TRUE #27
			OBJECTIVE: 9831' TD, MESAVERDE
			DW/GAS
			CHAPITA WELLS DEEP PROSPECT
			DD&A: CHAPITA DEEP
			NATURAL BUTTES FIELD
			LEASE: U-0283-A
			ELEVATION: 4825.4' NAT GL, 4819.5' PREP GL, (DUE TO ROUNDING THE PREP GL IS 4820'), 4833' KB (13')
			EOG WI 53.7326%, NRI 46.21689%

08-02-2007 **Reported By** TERRY CSERE

DailyCosts: Drilling $38,000 **Completion** $0 **Daily Total** $38,000
Cum Costs: Drilling $38,000 **Completion** $0 **Well Total** $38,000
MD 0 **TVD** 0 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0
Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0
Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION STARTED.

08-03-2007 **Reported By** TERRY CSERE

DailyCosts: Drilling $38,000 **Completion** $0 **Daily Total** $38,000
Cum Costs: Drilling $38,000 **Completion** $0 **Well Total** $38,000
MD 0 **TVD** 0 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0
Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0
Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION 20% COMPLETE.

08-06-2007 **Reported By** TERRY CSERE

DailyCosts: Drilling $0 **Completion** $0 **Daily Total** $0
Cum Costs: Drilling $38,000 **Completion** $0 **Well Total** $38,000
MD 0 **TVD** 0 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0
Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0
Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION 40% COMPLETE.

08-07-2007 **Reported By** TERRY CSERE

DailyCosts: Drilling $0 **Completion** $0 **Daily Total** $0
Cum Costs: Drilling $38,000 **Completion** $0 **Well Total** $38,000
MD 0 **TVD** 0 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0
Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0
Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION 45% COMPLETE.

08-08-2007 **Reported By** TERRY CSERE

DailyCosts: Drilling $0 **Completion** $0 **Daily Total** $0
Cum Costs: Drilling $38,000 **Completion** $0 **Well Total** $38,000
MD 0 **TVD** 0 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0
Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0
Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	PUSHING OUT PIT.

08-09-2007 **Reported By** ED FORSMAN

DailyCosts: Drilling	$0	**Completion**	$0	**Daily Total**	$0				
Cum Costs: Drilling	$38,000	**Completion**	$0	**Well Total**	$38,000				
MD	0	**TVD**	0	**Progress**	0	**Days**	0	**MW**	0.0	**Visc**	0.0
Formation :		**PBTD :** 0.0		**Perf :**		**PKR Depth :** 0.0			

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LINE TODAY.

08-10-2007 **Reported By** BRYON TOLMAN

DailyCosts: Drilling	$0	**Completion**	$0	**Daily Total**	$0				
Cum Costs: Drilling	$38,000	**Completion**	$0	**Well Total**	$38,000				
MD	0	**TVD**	0	**Progress**	0	**Days**	0	**MW**	0.0	**Visc**	0.0
Formation :		**PBTD :** 0.0		**Perf :**		**PKR Depth :** 0.0			

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LINING COMPLETE. GRAVELING LOCATION.

08-13-2007 **Reported By** BRYON TOLMAN

DailyCosts: Drilling	$0	**Completion**	$0	**Daily Total**	$0				
Cum Costs: Drilling	$38,000	**Completion**	$0	**Well Total**	$38,000				
MD	40	**TVD**	40	**Progress**	0	**Days**	0	**MW**	0.0	**Visc**	0.0
Formation :		**PBTD :** 0.0		**Perf :**		**PKR Depth :** 0.0			

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	GRAVELING LOCATION. CRAIGS ROUSTABOUT SERVICE SPUD A 20" HOLE ON 8/11/2007 @ 10:30 AM. SET 40' OF 14" CONDUCTOR. CEMENT TO SURFACE WITH READY MIX. LESTER FARNSWORTH NOTIFIED CAROL DANIELS W/UDOGM AND MICHAEL LEE W/BLM OF THE SPUD 8/11/2007 @ 9:45 AM.

08-14-2007 **Reported By** BRYON TOLMAN

DailyCosts: Drilling	$0	**Completion**	$0	**Daily Total**	$0				
Cum Costs: Drilling	$38,000	**Completion**	$0	**Well Total**	$38,000				
MD	40	**TVD**	40	**Progress**	0	**Days**	0	**MW**	0.0	**Visc**	0.0
Formation :		**PBTD :** 0.0		**Perf :**		**PKR Depth :** 0.0			

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FINISHING GRAVELING TODAY.

08-15-2007 **Reported By** BRYON TOLMAN

DailyCosts: Drilling	$0	**Completion**	$0	**Daily Total**	$0				
Cum Costs: Drilling	$38,000	**Completion**	$0	**Well Total**	$38,000				
MD	40	**TVD**	40	**Progress**	0	**Days**	0	**MW**	0.0	**Visc**	0.0
Formation :		**PBTD :** 0.0		**Perf :**		**PKR Depth :** 0.0			

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION COMPLETE.

08–23–2007 **Reported By** JERRY BARNES

DailyCosts: Drilling	$193,616	**Completion**	$0	**Daily Total**	$193,616
Cum Costs: Drilling	$231,616	**Completion**	$0	**Well Total**	$231,616

MD	2,402	**TVD**	2,402	**Progress**	0	**Days**	0	**MW**	0.0	**Visc**	0.0

Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0

Activity at Report Time: WORT

Start	End	Hrs	Activity Description
06:00	06:00	24.0	MIRU PRO PETRO AIR RIG #9 ON 8/17/2007. DRILLED 12–1/4" HOLE TO 2430' GL. ENCOUNTERED WATER @ 1520'. RAN 57 JTS (2389.95') OF 9–5/8", 36.0#/FT, J–55, ST&C CASING WITH TOP–CO GUIDE SHOE AND FLOAT COLLAR. 8 CENTRALIZERS SPACED MIDDLE OF SHOE JOINT AND EVERY COLLAR TILL GONE. LANDED @ 2402' KB. RAN 200' OF 1" PIPE DOWN BACK SIDE. RDMO AIR RIG. MIRU PRO PETRO CEMENTING. HELD SAFETY MEETING. PRESSURE TESTED LINES AND CEMENT VALVE TO 1000 PSIG. PUMPED 175 BBLS FRESH WATER & 20 BBLS GELLED WATER FLUSH AHEAD OF CEMENT. MIXED & PUMPED 220 SX (150 BBLS) OF PREMIUM LEAD CEMENT W/16% GEL, 10#/SX GILSONITE, 3#/ SX GR–3, 3% SALT & ¼ #/SX FLOCELE. MIXED CEMENT @ 11.0 PPG W/YIELD OF 3.82 CF/SX. TAILED IN W/200 SX (41 BBLS) OF PREMIUM CEMENT W/2% CACL2 & ¼#/ SX FLOCELE. MIXED TAIL CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. DISPLACED CEMENT W/182.1 BBLS FRESH WATER. BUMPED PLUG W/1000# @ 9:44 AM, 8/20/2007. CHECKED FLOAT, FLOAT HELD. SHUT–IN CASING VALVE. BROKE CIRCULATION 118 BBLS INTO FRESH WATER FLUSH. CIRCULATED APPROXIMATELY 12 BBLS LEAD CEMENT TO PIT. CEMENT FELL BACK AT SURFACE WHEN PLUG BUMPED. TOP JOB # 1: PUMP DOWN 200' OF 1" PIPE. MIXED & PUMPED 150 SX (30 BBLS) OF PREMIUM CEMENT W/4% CACL2 & ¼#/ SX FLOCELE. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. HOLE FILLED & CIRCULATED APPROXIMATELY 15 BBLS LEAD CEMENT TO PIT. CEMENT FELL BACK WHEN PUMPING STOPPED. WOC 1 HR 30 MINUTES. TOP JOB # 2: MIXED & PUMPED 50 SX (10 BBLS) OF PREMIUM CEMENT W/4% CACL2 & ¼#/SX FLOCELE. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. HOLE FILLED & STOOD. RDMO PRO PETRO CEMENTERS. PREPARED LOCATION FOR ROTARY RIG. WORT. WILL DROP FROM REPORT UNTIL FURTHER ACTIVITY. RAN SURVEY @ 2229', 1/2 DEGREE. TAGGED @ 2249'. KYLAN COOK NOTIFIED JAMIE SPARGER W/BLM OF THE SURFACE CASING & CEMENT JOB ON 8/19/2007 @ 2:15 PM.

09–25–2007 **Reported By** DUANE C WINKLER

DailyCosts: Drilling	$40,848	**Completion**	$0	**Daily Total**	$40,848
Cum Costs: Drilling	$272,464	**Completion**	$0	**Well Total**	$272,464

MD	2,402	**TVD**	2,402	**Progress**	0	**Days**	0	**MW**	0.0	**Visc**	0.0

Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0

Activity at Report Time: PICKING UP BHA

Start	End	Hrs	Activity Description
06:00	16:00	10.0	RDRT WITH TRUCKS, MOB RIG, RURT WITH TRUCKS
16:00	21:00	5.0	RURT, RAISE DERRICK @ 16:30, RURT
21:00	22:00	1.0	NIPPLE UP BOP, (DAY WORK STARTED 9/24/2007 @ 2100 HRS)

22:00	01:00	3.0	TEST BOPS/DIVERTER, TESTED ALL VALVES ON CHOKE MANIFOLD, CHOKE LINE AND KILL LINE. TESTED RAMS AND HYDRILL AND CASING. ALL 5K EQUIPMENT TO 5,000 HIGH AND 250 LOW. HYDRIL 2,500 HIGH AND 250 LOW. CASING TO 1,500. ALL TESTED
01:00	01:30	0.5	SET WEAR BUSHING,
01:30	02:30	1.0	SAFETY MEETING, RIG UP PICK UP CREW EQUIPMENT
02:30	06:00	3.5	PICKING UP BHA, NO ACCIDENTS / INCIDENTS, NO RIG REPAIRS, FULL CREWS,
			SAFETY MEETING #1: RIG DOWN ROTARY TOOLS, SAFETY MEETING #2: HELD WITH THIRD PARTY CONTRACTORS.
			TRANSFER FROM CWU 1005-27 TO CWU 1270–15, 7 JTS 4.5 X 11.6# N80 CASING (310.04') AND 2710 GLS OF DIESEL,
			RIG MOVE WAS APPOXIMATELY 4. MILES, RIG UP UNMANNED MUD LOGGER) 9/23/2007 @ 1200 NOON, NOTIFIED BLM VERNAL OFFICE JAMIE SPARGER, (435–781–4502), RIG MOVE TO CWU 1270–15 STARTS 9/24/2007 @ 0700,
			ESTIMATED BOP TEST ON 9/24/2007 AT 9PM,

09–26–2007 **Reported By** DUANE C WINKLER

DailyCosts: Drilling	$55,039	**Completion**	$0	**Daily Total**	$55,039
Cum Costs: Drilling	$327,503	**Completion**	$0	**Well Total**	$327,503

MD	4,480	**TVD**	4,480	**Progress**	2,078	**Days**	1	**MW**	0.0	**Visc**	0.0

Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	07:00	1.0	COMPLETE PICKING UP BHA, RIG DOWN PICK UP EQUIPMENT
07:00	07:30	0.5	SERVICE RIG, CHECK CROWN–O–MATIC
07:30	08:00	0.5	INSTALL ROATING RUBBER
08:00	10:00	2.0	DRILLED CEMENT, FLOAT COLLAR @ 2358', FLOAT SHOE 2402', NEW 7.875 HOLE TO 2450'
10:00	10:30	0.5	FIT TEST, PRESSURE WITH FRESH WATER TO 300 PSIG, EMW 10.8
10:30	17:00	6.5	DRILLED 2402' TO 3296', (894'), ROP 137, MW 9, VIS 30, GPM 425, NO LOSS/GAIN
17:00	17:30	0.5	ADJUST MAKE=UP CATHEAD
17:30	20:30	3.0	DRILLED 3296' TO 3577', (281), ROP 93, MW 9, VIS 31, GPM 425, NO LOSS/GAIN
20:30	21:00	0.5	WORK ON PUMP # 2 FLUID END
21:00	23:30	2.5	DRILLED 3577' TO 3922', (345), ROP 138, MW 9.1, VIS 31, NO LOSS/GAIN
23:30	00:00	0.5	DEVIATION SURVEY 2.5 DEGREE @ 3844'
00:00	06:00	6.0	DRILLED 3922' TO 4480', (558'), ROP 93, MW 9.2, VIS 33, GPM 425, NO LOSS/ GAIN, NO RIG REPAIR SAFETY MEETING # 1: WIRELINE SURVEY, SAFETY MEETING # 2: WORK ON PUMPS, NO ACCIDENTS / INCIDENTS, FULL CREWS, FUEL 5610 GLS, USED 1058 GLS, UNMANNED LOGGER
06:00		18.0	SPUD 7 7/8" HOLE @ 10:30 HRS, 9/25/07.

09–27–2007 **Reported By** DUANE C WINKLER

DailyCosts: Drilling	$37,976	**Completion**	$0	**Daily Total**	$37,976
Cum Costs: Drilling	$365,901	**Completion**	$0	**Well Total**	$365,901

MD	5,679	**TVD**	5,679	**Progress**	1,199	**Days**	2	**MW**	10.4	**Visc**	32.0

Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	09:00	3.0	DRILLED 4480' TO 4606', (126'), ROP 42, MW 9.7, VIS 30, GPM 400, NO LOSS/GAIN
09:00	10:00	1.0	RIG REPAIR, WORK ON PUMP # 2 FLUID ENDS

10:00	15:00	5.0	DRILLED 4606' TO 5015', (409'), ROP 82, MW 9.8, VIS 30, GPM 400, NO LOSS/GAIN
15:00	15:30	0.5	DEVIATION SURVEY 1 DEGREE @ 4936'
15:30	16:00	0.5	DRILLED 5015' TO 5081', (66'), ROP 120, MW 9.8, VIS 30, GPM 400, NO LOSS/GAIN
16:00	17:00	1.0	SERVICE RIG, CHECK CROWN-O-MATIC
17:00	06:00	13.0	DRILLED 5081 TO 5679', (598'), ROP 46, MW 9.8, VIS 36, GPM 400, NO LOSS/GAIN, RIG REPAIR, SAFETY MEETING # 1: ROTARY TABLE, SAFETY MEETING # 2: PPE, NO ACCIDENTS / INCIDENTS, FULL CREWS, FUEL 4563 GLS, USED 1047 GLS, UNMANNED LOGGER

09-28-2007 **Reported By** DUANE C WINKLER

DailyCosts: Drilling	$77,216	**Completion**	$0	**Daily Total**	$77,216
Cum Costs: Drilling	$443,221	**Completion**	$0	**Well Total**	$443,221

MD	6,755	**TVD**	6,755	**Progress**	1,076	**Days**	3	**MW**	9.8	**Visc**	34.0

Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	12:00	6.0	DRILLED 5679' TO 5996', (317'), ROP 52, MW 9.9, VIS 31, GPM 400, NO LOSS/GAIN
12:00	12:30	0.5	SERVICE RIG, CHECK CROWN-O-MATIC
12:30	06:00	17.5	DRILLED 5996' TO 6755', (759'), ROP 43, MW 10.3, VIS 30, GPM 400, NO LOSS/GAIN, NO RIG REPAIR, SAFETY MEETING # 1: PROPER LIFTING, SAFETY MEETING # 2: LOOSE CLOTHING, NO ACCIDENTS / INCIDENTS, F ULL CREWS, FUEL 3291 GLS, USED 1272 GLS, UNMANNED LOGGER

09-29-2007 **Reported By** DUANE C WINKLER

DailyCosts: Drilling	$55,785	**Completion**	$3,155	**Daily Total**	$58,940
Cum Costs: Drilling	$499,006	**Completion**	$3,155	**Well Total**	$502,161

MD	7,185	**TVD**	7,185	**Progress**	430	**Days**	4	**MW**	10.2	**Visc**	34.0

Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	13:00	7.0	DRILLED 6755' TO 7088', (333'), ROP 47, MW 10.3, VIS 34, GPM 410, NO LOSS/GAIN
13:00	13:30	0.5	SERVICE RIG, CHECK CROWN-O-MATIC
13:30	14:30	1.0	DRILLED 7088 TO 7130', (42'), ROP 42, MW 10.4, VIS 34, GPM 410, NO LOSS/GAIN
14:30	19:00	4.5	PUMP PILL, DROP SURVEY, TRIP OUT OF FOR BIT # 1
19:00	21:00	2.0	CHANGE OUT MUD MOTOR, BIT, TRIP IN HOLE WITH BIT # 2
21:00	22:00	1.0	ADJUST BREAK OUT CATHEAD
22:00	23:00	1.0	TRIP IN HOLE WITH BIT # 2
23:00	00:00	1.0	RIG REPAIR, REPAIR CLUTCH AIR HOSE
00:00	01:00	1.0	TRIP IN HOLE WITH BIT # 2
01:00	01:30	0.5	WASH/REAM 7069' TO 7130', (61'), MW 10.4, VIS 33
01:30	02:00	0.5	DRILLED 7130' TO 7136', (6')

02:00	03:00	1.0	RIG REPAIR WORK ON PUMP # 2 SWABS
03:00	06:00	3.0	DRILLED 7136' TO 7185', (49'), ROP 16, MW 10.4, VIS 33, GPM 410, NO LOSS/GAIN, RIG REPAIR, SAFETY MEETING # 1: TRIPPING PIPE, SAFETY MEETING # 2: OPEN HOLE, NO ACCIDENTS / INCIDENTS, FULL CREWS, FUEL 2353 GLS, USED 898 GLS, UNMANNED LOGGER

09-30-2007 **Reported By** DUANE C WINKLER

DailyCosts: Drilling	$48,966	**Completion**	$0	**Daily Total**	$48,966
Cum Costs: Drilling	$547,973	**Completion**	$3,155	**Well Total**	$551,128

MD	7,770	**TVD**	7,770	**Progress**	585	**Days**	5	**MW**	10.6	**Visc**	32.0

Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0

Activity at Report Time: TRIP OUT OF HOLE WITH BIT # 2

Start	End	Hrs	Activity Description
06:00	13:00	7.0	DRILLED 7185' TO 7420', (235'), ROP 33, MW 10.8, VIS 34, GPM 410, NO LOSS/GAIN
13:00	13:30	0.5	SERVICE RIG, CHECK CROWN-O-MATIC
13:30	02:00	12.5	DRILLED 7420' TO 7770', (350'), ROP 28, MW 11, VIS 33, GPM 410, LOST 320 BBLS @ 7560',
02:00	02:30	0.5	MIX AND PUMP PILL
02:30	06:00	3.5	TRIP OUT OF HOLE WITH BIT # 2, NO RIG REPAIR, SAFETY MEETING # 1: EYE PROTECTION, SAFETY MEETING # 2: MIXING CAUSTIC, NO ACCIDENTS / INCIDENTS, FULL CREWS, FUEL 5984 GLS, USED 909 GLS, UNMANNED LOGGER

10-01-2007 **Reported By** DUANE C WINKLER

DailyCosts: Drilling	$56,213	**Completion**	$0	**Daily Total**	$56,213
Cum Costs: Drilling	$604,186	**Completion**	$3,155	**Well Total**	$607,341

MD	8,238	**TVD**	8,238	**Progress**	468	**Days**	6	**MW**	11.3	**Visc**	39.0

Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	07:30	1.5	CHANGE OUT MUD MOTOR, BIT, FUNCTION TEST BOPE, TRIP IN HOLE WITH BIT # 3
07:30	08:30	1.0	SLIP AND CUT DRILL LINE
08:30	10:30	2.0	TRIP IN HOLE WITH BIT # 3
10:30	11:00	0.5	WASH AND REAM 7669' TO 7770' (71'), MW 11, VIS 34
11:00	13:30	2.5	DRILLED 7770' TO 7831', (61'), ROP 24, MW 11, VIS 34, GPM 410, NO LOSS/GAIN
13:30	14:00	0.5	SERVICE RIG, CHECK CROWN-O-MATIC
14:00	18:00	4.0	DRILLED 7831' TO 7951', (120'), ROP 30, MW 11.1, VIS 35, GPM 400, NO LOSS/GAIN
18:00	18:30	0.5	RIG REPAIR, STUFFING BOX
18:30	06:00	11.5	DRILLED 7951' TO 8238', (287'), ROP 25, MW 11.2, VIS 34, GPM 400,. NO LOSS/GAIN, RIG REPAIR, SAFETY MEETING # 1: TAG OUT, SAFETY MEETING # 2: FORKLIFT, NO ACCIDENTS / INCIDENTS, FULL CREWS, FUEL 4862 GLS, USED 1122 GLS, UNMANNED LOGGER

10-02-2007 **Reported By** DUANE C WINKLER

DailyCosts: Drilling	$39,043	**Completion**	$7,321	**Daily Total**	$46,364
Cum Costs: Drilling	$643,328	**Completion**	$10,476	**Well Total**	$653,804

MD	8,770	**TVD**	8,770	**Progress**	532	**Days**	7	**MW**	11.0	**Visc**	36.0

Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	06:30	0.5	TIGHTEN DOWN ROTATING HEAD

06:30	08:00	1.5	DRILLED 8238' TO 8264', (26'), ROP 17, MW 11, VIS 34, GPM 400, NO LOSS/GAIN
08:00	09:00	1.0	RIG REPAIR REPLACE SWAB ON # 2 PUMP
09:00	13:30	4.5	DRILLED 8264' TO 8366', (102'), ROP 22, MW 11, VIS 34, GPM 400, NO LOSS/GAIN
13:30	14:00	0.5	SERVICE RIG, BOP DRILL, CHECK CRWON-O-MATIC
14:00	06:00	16.0	DRILLED 8366' TO 8770' (404'), ROP 25, MW 11, VIS 34, GPM 400, NO LOSS/GAIN, RIG REPAIR, SAFETY MEETING # 1: PRESSURE WASHER, SAFETY MEETING # 2: COLD WEATHER, NO ACCIDENTS / INCIDENTS, FULL CREWS, FUEL 3740 GLS, USED 1122 GLS, UNMANNED LOGGER

10-03-2007 **Reported By** DUANE C WINKLER

DailyCosts: Drilling	$43,093	**Completion**	$0	**Daily Total**	$43,093
Cum Costs: Drilling	$686,567	**Completion**	$10,476	**Well Total**	$697,043

MD	9,238	**TVD**	9,238	**Progress**	468	**Days**	8	**MW**	11.5	**Visc**	38.0

Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	08:00	2.0	DRILLED 8770' TO 8793', (23'), ROP 11, MW 11.2, VIS 34, GPM 400, NO LOSS/GAIN
08:00	08:30	0.5	PUMP PILL, DROP SURVEY
08:30	14:00	5.5	TRIP OUT OF HOLE WITH BIT # 3, FUNCTION BOPE, ALL SAFETY VALVES
14:00	17:30	3.5	TRIP IN HOLE WITH BIT #4,
17:30	18:00	0.5	WASH/REAM 8733' TO 8793', (60'), MW 11.2, VIS 34
18:00	06:00	12.0	DRILLED 8793' TO 9238', (445'), ROP 37, MW 11.3, VIS 34, GPM 400, NO LOSS/GAIN, NO RIG REPAIR, SAFETY MEETING # 1: PRESSURE WASHER, SAFETY MEETING # 2: TONG DIES, NO ACCIDENTS / INCIDENTS, FULL CREWS, FUEL 2692 GLS, USED 1048 GLS, UNMANNED LOGGER

10-04-2007 **Reported By** PAUL WHITE / DUANE WINKLER

DailyCosts: Drilling	$40,311	**Completion**	$0	**Daily Total**	$40,311
Cum Costs: Drilling	$725,807	**Completion**	$10,476	**Well Total**	$736,283

MD	9,726	**TVD**	9,726	**Progress**	488	**Days**	9	**MW**	11.2	**Visc**	37.0

Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0

Activity at Report Time: TRIP FOR BIT

Start	End	Hrs	Activity Description
06:00	12:00	6.0	DRILL F/ 9238 TO 9395 157' 26 FPH. WOB 20 RPM 48.
12:00	12:30	0.5	SERVICE RIG.
12:30	02:30	14.0	DRILL F/ 9395 TO 9726 331' 24 FPH. WOB 22 RPM 50. MUD WT 11.5 VIS 37. P RATE DROPPED TO +/- 5 FPH.
02:30	06:00	3.5	CIRC, MIX AND PUMP PILL AND POH FOR BIT. MUD WT. 11.5 VIS 37. TOP OF SEGO AT 9631. (DRILLING SEGO) NO ACCIDENTS OR INCIDENTS. FULL CREW. SAFETY MEETING TOPICS: FUEL TRUCKS, CLEAN WORK AREA, SLIPS. FUEL ON HAND 4637 RECIEVED 3000 USED 1055. UNMANNED LOGGER.

10-05-2007 **Reported By** PAUL WHITE

DailyCosts: Drilling	$32,040	**Completion**	$0	**Daily Total**	$32,040
Cum Costs: Drilling	$757,848	**Completion**	$10,476	**Well Total**	$768,324

MD	9,831	**TVD**	9,831	**Progress**	105	**Days**	10	**MW**	11.8	**Visc**	36.0

Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0

Activity at Report Time: RUNNING 4.5" PROD. CASING

Start	End	Hrs	Activity Description
06:00	12:00	6.0	TRIP, CHANGE BIT AND MOTOR. FUNCTION TEST BOP'S AND SAFETY VALVES. RIH. HOLE IN GOOD CONDITION, NO FILL.
12:00	14:30	2.5	DRILL F/ 9726' TO 9803' 77' 31 FPH. WOB 18 RPM 50.
14:30	15:00	0.5	SERVICE RIG.
15:00	15:30	0.5	DRILL F/ 9803' TO 9831' TD. REACHED TD AT 15:30 HRS, 10/4/07.
15:30	16:00	0.5	WIPER TRIP/SHORT TRIP TO 9550'
16:00	18:00	2.0	CIRCULATE HOLE CLEAN AND RIG UP LAYDOWN CREW. HOLD PJSM.
18:00	03:00	9.0	LAY DOWN DRILL PIPE AND BHA.
03:00	04:00	1.0	RIG UP CASING CREW, HOLD SAFETY MEETING.
04:00	06:00	2.0	RUN 4.5" 11.6# N-80 PRODUCTION CASING. MUD WT. 11.6 VIS 36. NO ACCIDENTS OR INCIDENTS. SAFETY MEETING TOPICS: MEETINGS HELD W/ CASING AND LAY DOWN CREWS. FULL CREW. TD AT 15:30 10/4/07. CASING PT. AT 18:00 10/4/07. FUEL ON HAND 3889 USED 748. TRUCKS PLANNED FOR SUNDAY OCT 7 FOR RIG MOVE TO NBU 565-30E. RIG MODIFICATIONS AND UPGRADES WILL BE TAKING PLACE DURING RIG MOVE. MILEAGE TO NEXT WELL 34.8 MILES.

10-06-2007 **Reported By** PAUL WHITE

DailyCosts: Drilling	$51,636	**Completion**	$149,872	**Daily Total**	$201,508		
Cum Costs: Drilling	$809,484	**Completion**	$160,348	**Well Total**	$969,832		
MD 9,831	**TVD** 9,831	**Progress** 0	**Days** 11	**MW** 0.0	**Visc** 0.0		
Formation :	**PBTD :** 0.0		**Perf :**	**PKR Depth :** 0.0			

Activity at Report Time: RDRT/WO COMPLETION

Start	End	Hrs	Activity Description
06:00	07:00	1.0	RUN CASING.
07:00	08:00	1.0	INSTALL SWAGE AND FILL PIPE.
08:00	10:00	2.0	RUN CASING. RAN 242 JTS, PICKUP EXTRA JOINT AND TAG BOTTOM. INSTALL MANDREL HANGER AND SET IN POSITION TO CEMENT.
10:00	11:30	1.5	CIRCULATE, RIG DOWN CASING CREW, RIG UP SCHLUMBERGER.
11:30	14:00	2.5	CEMENTING. SCHLUMBER MIXED AND PUMPED CEMENT AS FOLLOWS: 20 BBLS CHEM WASH, 20 BBLS WATER, 162 BBLS LEAD SLURRY: 35/65 POZ G, SLURRY WT. 13 PPG. (520 SX). FOLLOWED W/ 364.1 BBLS. TAIL SLURRY, 50/50 POZ "G" SLURRY WT. 14.1 PPG. 1585 SX), DISPLACED W/ 151 BBLS. WATER. BUMPED PLUG W/ 2,500 PSI, CHECKED FLOATS OK. LANDED 242 JTS. 4.5" 11.6 # N 80 CASING EQUIPED W/ DAVIS LYNCH FLOAT SHOE AND FLOAT COLLAR AND LATCH DOWN WIPER PLUG. CENTRILIZERS PLACED 5' ABOVE SHOE, ON TOP OF SECOND JOINT AND EVERY OTHER JOINT AFTER FOR A TOTAL OF 30. SHOE AT 9,820' FLOAT COLLAR AT 9776'. MARKER JT AT 7017' AND 4528'. TESTED HANGER SEALS TO 5,000 PSI, CEMENT IN PLACE AT 14:15 HRS. 10/5/07.
14:00	15:30	1.5	NIPPLE DOWN BOP'S, CLEAN MUD TANKS.
15:30	06:00	14.5	RIG DOWN ROTARY TOOLS PREPARE RIG FOR MODIFICATIONS AND MOVE.
06:00		18.0	RIG RELEASED AT 15:30 HRS, 10/5/07. CASING POINT COST $794,785

10-13-2007 **Reported By** TORR MCCURDY

DailyCosts: Drilling	$0	**Completion**	$47,705	**Daily Total**	$47,705		
Cum Costs: Drilling	$809,484	**Completion**	$208,053	**Well Total**	$1,017,537		
MD 9,831	**TVD** 9,831	**Progress** 0	**Days** 12	**MW** 0.0	**Visc** 0.0		

Formation : **PBTD :** 9777.0 **Perf :** **PKR Depth :** 0.0

Activity at Report Time: PREP FOR FRAC

Start	End	Hrs	Activity Description
08:00	09:00	1.0	10/9/2007 – MIRU SCHLUMBERGER. LOG WITH RST/CBL/CCL/VDL/GR FROM PBTD TO 950'. EST CEMENT TOP @ 1990'. RD SCHLUMBERGER.
			NU 10M FRAC TREE. PRESSURE TEST FRAC TREE & CASING TO 6500 PSIG, HELD OK. PREP FOR FRAC.

10-18-2007 **Reported By** TORR MCCURDY

DailyCosts: Drilling	$0	**Completion**	$1,095	**Daily Total**	$1,095
Cum Costs: Drilling	$809,484	**Completion**	$209,148	**Well Total**	$1,018,632

MD	9,831	**TVD**	9,831	**Progress**	0	**Days**	13	**MW**	0.0	**Visc**	0.0

Formation : MESAVERDE **PBTD :** 0.0 **Perf :** 8828'-9607' **PKR Depth :** 0.0

Activity at Report Time: FRAC MPR/UPR

Start	End	Hrs	Activity Description
06:00	06:00	24.0	RU CUTTERS WIRELINE. PERFORATED LPR FROM 9365'-66', 9383'-84', 9392'-93', 9413'-14', 9423'-24', 9428'-29', 9440'-41', 9495'-96', 9532'-33', 9554'-55', 9581'-82', 9591'-92', 9596'-97' & 9606'-07' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 6123 GAL WF120 LINEAR PAD, 5338 GAL WF120 LINEAR 1# & 2#, 52169 GAL YF116ST+ WITH 154700# 20/40 SAND @ 1-5 PPG. MTP 6201 PSIG. MTR 51.3 BPM. ATP 4596 PSIG. ATR 45.7 BPM. ISIP 3200 PSIG. RD SCHLUMBERGER.
			RUWL. SET 10K CFP AT 9270'. PERFORATED LPR/MPR FROM 9022'-23', 9051'-52', 9071'-72', 9076'-77', 9107'-08', 9139'-40', 9147'-48', 9180'-81', 9186'-87', 9206'-07', 9223'-24' & 9237'-38' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 6132 GAL WF120 LINEAR PAD, 7323 GAL WF120 LINEAR 1# & 2#, 44631 GAL YF116ST+ WITH 134000# 20/40 SAND @ 1-4 PPG. MTP 6341 PSIG. MTR 51.5 BPM. ATP 5309 PSIG. ATR 47.2 BPM. ISIP 3560 PSIG. RD SCHLUMBERGER.
			RUWL. SET 10K CFP AT 8985'. PERFORATED MPR FROM 8828'-31', 8838'-40', 8857'-58', 8889'-91', 8926'-27', 8950'-52' & 8956'-57' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 6127 GAL WF120 LINEAR PAD, 6267 GAL WF120 LINEAR 1# & 2#, 24482 GAL YF116ST+ WITH 64500# 20/40 SAND @ 1-4 PPG. SCREENED OUT 17 BBLS SHORT OF FLUSH. MTP 6691 PSIG. MTR 50.1 BPM. ATP 5794 PSIG. ATR 39.4 BPM. RD SCHLUMBERGER.
			FLOWED 14 HRS. 16/64" CHOKE. FCP 1900 PSIG. 60 BFPH. RECOVERED 1050 BLW. 2875 BLWTR.

10-19-2007 **Reported By** TORR MCCURDY

DailyCosts: Drilling	$0	**Completion**	$339,285	**Daily Total**	$339,285
Cum Costs: Drilling	$809,484	**Completion**	$548,433	**Well Total**	$1,357,918

MD	9,831	**TVD**	9,831	**Progress**	0	**Days**	14	**MW**	0.0	**Visc**	0.0

Formation : MESAVERDE **PBTD :** 0.0 **Perf :** 7498'-9607' **PKR Depth :** 0.0

Activity at Report Time: PREP TO MIRUSU

Start	End	Hrs	Activity Description
06:00	18:30	12.5	SICP 2144 PSIG. RUWL SET 10K CFP AT 8810'. PERFORATED MPR FROM 8656'-57', 8661'-62', 8670'-71', 8686'-87', 8693'-94', 8712'-13', 8724'-25', 8729'-30', 8755'-56', 8766'-67' & 8790'-92' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 6116 GAL WF120 LINEAR PAD, 7318 GAL WF120 LINEAR 1# & 2#, 42972 GAL YF116ST+ WITH 108800 # 20/40 SAND @ 1-3 PPG. MTP 6220 PSIG. MTR 50.5 BPM. ATP 5511 PSIG. ATR 46.9 BPM. ISIP 3040 PSIG. RD SCHLUMBERGER.

RUWL SET 10K CFP AT 8590'. PERFORATED MPR FROM 8375'-76', 8392'-93', 8398'-99', 8409'-10', 8422'-23', 8432'-33', 8457'-58', 8502'-03', 8516'-17', 8523'-24', 8549'-50', 8554'-55', 8562'-63' & 8570'-71' @ 2 SPF & 180° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 6150 GAL WF120 LINEAR PAD, 7375 GAL WF120 LINEAR 1# & 1.5#, 63671 GAL YF116ST+ WITH 198600# 20/40 SAND @ 1-4 PPG. MTP 6256 PSIG. MTR 50.3 BPM. ATP 4956 PSIG. ATR 47 BPM. ISIP 2800 PSIG. RD SCHLUMBERGER.

RUWL SET 10K CFP AT 8345'. PERFORATED UPR FROM 8139'-40', 8178'-80', 8203'-04', 8214'-15', 8219'-20', 8245'-46', 8254'-55', 8279'-80', 8288'-89' & 8325'-27' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 5101 GAL WF120 LINEAR PAD, 4236 GAL WF120 LINEAR 1# & 1.5#, 39,761 GAL YF116ST+ WITH 117000# 20/40 SAND @ 1-4 PPG. MTP 6199 PSIG. MTR 50.6 BPM. ATP 4980 PSIG. ATR 43.8 BPM. ISIP 2520 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 8112'. PERFORATED UPR FROM 7865'-66', 7872'-73', 7919'-20', 7923'-24', 7955'-56', 7997'-98', 8010'-11', 8022'-23', 8076'-77', 8080'-81', 8092'-93' & 8097'-98' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 5070 GAL WF120 LINEAR PAD, 5237 GAL WF120 LINEAR 1# & 1.5#, 36649 GAL YF116ST+ WITH 111700# 20/40 SAND @ 1-5 PPG. MTP 6157 PSIG. MTR 50.2 BPM. ATP 4747 PSIG. ATR 45.7 BPM. ISIP 2770 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 7840'. PERFORATED UPR FROM 7684'-85', 7689'-90', 7694'-95', 7701'-02', 7712'-13', 7717'-18', 7748'-49', 7749'-50' (MISFIRE), 7763'-64', 7807'-08' & 7823'-25' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 3101 GAL WF120 LINEAR PAD, 4234 GAL WF120 LINEAR 1# & 1.5#, 31,221 GAL YF116ST+ WITH 85000# 20/40 SAND @ 1-5 PPG. MTP 6188 PSIG. MTR 51.2 BPM. ATP 4555 PSIG. ATR 45 BPM. ISIP 2100 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 7654'. PERFORATED UPR FROM 7498'-99', 7520'-21', 7527'-28', 7531'-32', 7541'-42', 7580'-81', 7591'-92', 7597'-99' * 7626'-29' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 2064 GAL WF120 LINEAR PAD, 4237 GAL WF120 LINEAR 1# & 1.5#, 28517 GAL YF116ST+ WITH 87200# 20/40 SAND @ 1-5 PPG. MTP 6034 PSIG. MTR 50.1 BPM. ATP 4022 PSIG. ATR 42.4 BPM. ISIP 2180 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CBP AT 7415'. BLED OFF PRESSURE. RDWL. SDFN.

10-23-2007 **Reported By** POWELL

DailyCosts: Drilling	$0	**Completion**	$7,262	**Daily Total**	$7,262
Cum Costs: Drilling	$809,484	**Completion**	$555,695	**Well Total**	$1,365,180

MD	9,831	**TVD**	9,831	**Progress**	0	**Days**	15	**MW**	0.0 **Visc** 0.0

Formation : MESAVERDE **PBTD :** 0.0 **Perf :** 7498'-9607' **PKR Depth :** 0.0

Activity at Report Time: CLEAN OUT AFTER FRAC

Start	End	Hrs	Activity Description
07:00	15:00	8.0	MIRUSU. ND FRAC TREE. NU BOPE. RIH W/BIT & PUMP OFF SUB TO 7415'. RU TO DRILL OUT. SDFN.

10-24-2007 **Reported By** POWELL

DailyCosts: Drilling	$0	**Completion**	$16,642	**Daily Total**	$16,642
Cum Costs: Drilling	$809,484	**Completion**	$572,337	**Well Total**	$1,381,822

MD	9,831	**TVD**	9,831	**Progress**	0	**Days**	16	**MW**	0.0 **Visc** 0.0

Formation : MESAVERDE **PBTD :** 9777.0 **Perf :** 7498'-9607' **PKR Depth :** 0.0

Activity at Report Time: FLOW TEST

Start	End	Hrs	Activity Description
07:00	17:00	10.0	SICP. 600 PSIG. CLEANED OUT & DRILLED OUT PLUGS @ 7415', 7654', 7840', 8112', 8345', 8590', 8810', 8985' & 9270'. RIH. CLEANED TO PBTD @ 9777'. LANDED TBG AT 8219' KB. ND BOPE. NU TREE. PUMPED OFF BIT & SUB. RDMOSU.

TUBING DETAIL: LENGTH

PUMP OFF SUB 1.00'
1JT 2–3/8" 4.7# N–80 TBG 32.30'
XN NIPPLE 1.10'
252 JTS 2–3/8" 4.7# N–80 TBG 8173.50'
BELOW KB 12.00'
LANDED @ 8219.90' KB

FLOWED 15 HRS. 24/64" CHOKE. FTP 1500 PSIG. CP 1650 PSIG. 52 BFPH. RECOVERED 1120 BLW. 8974 BLWTR.

10–25–2007 **Reported By** POWELL

DailyCosts: Drilling	$0	**Completion**	$2,700	**Daily Total**	$2,700
Cum Costs: Drilling	$809,484	**Completion**	$575,037	**Well Total**	$1,384,522

MD	9,831	**TVD**	9,831	**Progress**	0	**Days**	17	**MW**	0.0 **Visc** 0.0

Formation : MESAVERDE **PBTD :** 0.0 **Perf :** 7498'–9607' **PKR Depth :** 0.0

Activity at Report Time: FLOW TEST

Start	End	Hrs	Activity Description
05:00	05:00	24.0	FLOWED 24 HRS. 24/64" CHOKE. FTP 1500 PSIG. CP 1650 PSIG. 44 BFPH. RECOVERED 1192 BLW. 7782 BLWTR.

10–26–2007 **Reported By** POWELL

DailyCosts: Drilling	$0	**Completion**	$2,700	**Daily Total**	$2,700
Cum Costs: Drilling	$809,484	**Completion**	$577,737	**Well Total**	$1,387,222

MD	9,831	**TVD**	9,831	**Progress**	0	**Days**	18	**MW**	0.0 **Visc** 0.0

Formation : MESAVERDE **PBTD :** 0.0 **Perf :** 7498'–9607' **PKR Depth :** 0.0

Activity at Report Time: FLOW TEST

Start	End	Hrs	Activity Description
05:00	05:00	24.0	FLOWED 24 HRS. 24/64" CHOKE. FTP 1350 PSIG. CP 1550 PSIG. 32 BFPH. RECOVERED 856 BLW. 6926 BLWTR.

10–27–2007 **Reported By** POWELL

DailyCosts: Drilling	$0	**Completion**	$2,700	**Daily Total**	$2,700
Cum Costs: Drilling	$809,484	**Completion**	$580,437	**Well Total**	$1,389,922

MD	9,831	**TVD**	9,831	**Progress**	0	**Days**	19	**MW**	0.0 **Visc** 0.0

Formation : MESAVERDE **PBTD :** 0.0 **Perf :** 7498'–9607' **PKR Depth :** 0.0

Activity at Report Time: WO FACILITIES

Start	End	Hrs	Activity Description
05:00	05:00	24.0	FLOWED 24 HRS. 24/64" CHOKE. FTP 1150 PSIG. CP 1550 PSIG. 20 BFPH. RECOVERED 624 BLW. 6302 BLWTR. SI. WO FACILITIES.

FINAL COMPLETION DATE: 10/26/07

11–05–2007 **Reported By** DUANE COOK

DailyCosts: Drilling	$0	**Completion**	$2,700	**Daily Total**	$2,700

Cum Costs: Drilling $809,484 **Completion** $580,437 **Well Total** $1,389,922

MD 9,831 **TVD** 9,831 **Progress** 0 **Days** 20 **MW** 0.0 **Visc** 0.0

Formation : MESAVERDE **PBTD :** 0.0 **Perf :** 7498'–9607' **PKR Depth :** 0.0

Activity at Report Time: INITIAL PRODUCTION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	INITIAL PRODUCTION. TURNED CONDENSATE TO SALES 10/27/07.

OPENING PRESSURE: TP 0 & CP 0 PSI. TURNED WELL TO QUESTAR SALES AT 12:00 PM, 10/27/07.

11–07–2007 **Reported By** DUANE COOK

DailyCosts: Drilling $0 **Completion** $0 **Daily Total** $0

Cum Costs: Drilling $809,484 **Completion** $580,437 **Well Total** $1,389,922

MD 9,831 **TVD** 9,831 **Progress** 0 **Days** 21 **MW** 0.0 **Visc** 0.0

Formation : MESAVERDE **PBTD :** 0.0 **Perf :** 7498'–9607' **PKR Depth :** 0.0

Activity at Report Time: INITIAL PRODUCTION–FIRST GAS SALES

Start	End	Hrs	Activity Description
06:00	06:00	24.0	INITIAL PRODUCTION. FIRST GAS SALES: OPENING PRESSURE: TP 2750 & CP 3350 PSI. TURNED WELL TO QUESTAR SALES AT 9:30 AM, 11/6/07. FLOWED 840 MCFD RATE ON 8/64" POS CHOKE. STATIC 290.

11–08–2007 **Reported By** ROGER DART

DailyCosts: Drilling $0 **Completion** $0 **Daily Total** $0

Cum Costs: Drilling $809,484 **Completion** $580,437 **Well Total** $1,389,922

MD 9,831 **TVD** 9,831 **Progress** 0 **Days** 22 **MW** 0.0 **Visc** 0.0

Formation : MESAVERDE **PBTD :** 0.0 **Perf :** 7498'–9607' **PKR Depth :** 0.0

Activity at Report Time: ON SALES

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 600 MCF, 140 BC & 31 BW IN 24 HRS ON 8/64" CHOKE, TP 2500 PSIG, CP 3000 PSIG.

11–09–2007 **Reported By** MICHAEL WHITE

DailyCosts: Drilling $0 **Completion** $0 **Daily Total** $0

Cum Costs: Drilling $809,484 **Completion** $580,437 **Well Total** $1,389,922

MD 9,831 **TVD** 9,831 **Progress** 0 **Days** 23 **MW** 0.0 **Visc** 0.0

Formation : MESAVERDE **PBTD :** 0.0 **Perf :** 7498'–9607' **PKR Depth :** 0.0

Activity at Report Time: ON SALES

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 571 MCF, 50 BC & 30 BW IN 24 HRS ON 8/64" CHOKE, TP 2240 PSIG, CP 3050 PSIG.

Form 3160-4
(August 2007)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. Lease Serial No. UTU0283A

1a. Type of Well ☐ Oil Well ☒ Gas Well ☐ Dry ☐ Other
b. Type of Completion ☒ New Well ☐ Work Over ☐ Deepen ☐ Plug Back ☐ Diff. Resvr.
Other _____

6. If Indian, Allottee or Tribe Name

7. Unit or CA Agreement Name and No. CHAPITA WELLS UNI

2. Name of Operator EOG RESOURCES, INC. Contact: MARY A. MAESTAS E-Mail: mary_maestas@eogresources.com

8. Lease Name and Well No. CHAPITA WELLS UNIT 1270-15

3. Address 600 17TH STREET SUITE 1000N DENVER, CO 80202

3a. Phone No. (include area code) Ph: 303-824-5526

9. API Well No. 43-047-38475

4. Location of Well (Report location clearly and in accordance with Federal requirements)*

At surface NWNW 54FNL 600FWL 40.04312 N Lat, 109.43338 W Lon

At top prod interval reported below NWNW 54FNL 600FWL 40.04312 N Lat, 109.43338 W Lon

At total depth NWNW 54FNL 600FWL 40.04312 N Lat, 109.43338 W Lon

10. Field and Pool, or Exploratory NATURAL BUTTES/MESAVERDE

11. Sec., T., R., M., or Block and Survey or Area Sec 15 T9S R22E Mer SLB

12. County or Parish UINTAH

13. State UT

14. Date Spudded 08/11/2007

15. Date T.D. Reached 10/04/2007

16. Date Completed ☐ D & A ☒ Ready to Prod. 10/27/2007

17. Elevations (DF, KB, RT, GL)* 4825 GL

18. Total Depth: MD 9831 TVD

19. Plug Back T.D.: MD 9777 TVD

20. Depth Bridge Plug Set: MD TVD

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)
RST/CBL/CCL/~~VDL~~/GR Temp.

22. Was well cored? ☒ No ☐ Yes (Submit analysis)
Was DST run? ☒ No ☐ Yes (Submit analysis)
Directional Survey? ☒ No ☐ Yes (Submit analysis)

23. Casing and Liner Record *(Report all strings set in well)*

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sks. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
12.250	9.625 J-55	36.0	0	2402		620			
7.875	4.500 N-80	11.6	0	9820		2105			

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2.375	8220							

25. Producing Intervals / 26. Perforation Record

	Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A)	MESAVERDE	7498	9607	9365 TO 9607		3	
B)				9022 TO 9238		3	
C)				8828 TO 8957		3	
D)				8656 TO 8792		3	

27. Acid, Fracture, Treatment, Cement Squeeze, Etc.

Depth Interval	Amount and Type of Material
9365 TO 9607	63,795 GALS GELLED WATER & 154,700# 20/40 SAND
9022 TO 9238	58,251 GALS GELLED WATER & 134,000# 20/40 SAND
8828 TO 8957	37,041 GALS GELLED WATER & 64,500# 20/40 SAND
8656 TO 8792	56,571 GALS GELLED WATER & 108,800# 20/40 SAND

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
10/27/2007	11/13/2007	24	→	40.0	517.0	40.0			

Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status
8/64"	2120	2970.0	→	40	517	40		

28a. Production - Interval B

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						

Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status
			→					

(See Instructions and spaces for additional data on reverse side)

ELECTRONIC SUBMISSION #57446 VERIFIED BY THE BLM WELL INFORMATION SYSTEM
**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****

RECEIVED
DEC 13 2007
DIV. OF OIL, GAS & MINING

28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						

Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status
			→					

28c. Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						

Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status
			→					

29. Disposition of Gas *(Sold, used for fuel, vented, etc.)*
CAPTURED

30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top Meas. Depth
MESAVERDE	7498	9607		WASATCH	4977
				CHAPITA WELLS	5576
				BUCK CANYON	6273
				PRICE RIVER	7475
				MIDDLE PRICE RIVER	8320
				LOWER PRICE RIVER	9147
				SEGO	9631

32. Additional remarks (include plugging procedure):
Please see the attached sheet for detailed perforation information.

33. Circle enclosed attachments:

1. Electrical/Mechanical Logs (1 full set req'd.)
2. Geologic Report
3. DST Report
4. Directional Survey
5. Sundry Notice for plugging and cement verification
6. Core Analysis
7 Other:

34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions):

Electronic Submission #57446 Verified by the BLM Well Information System.
For EOG RESOURCES, INC., sent to the Vernal

Name *(please print)* MARY A. MAESTAS Title REGULATORY ASSISTANT

Signature (Electronic Submission) Date 12/06/2007

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fradulent statements or representations as to any matter within its jurisdiction.

**** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ****

Chapita Wells Unit 1270-15 - ADDITIONAL REMARKS (CONTINUED):

26. PERFORATION RECORD

8375-8571	2/spf
8139-8327	3/spf
7865-8098	3/spf
7684-7825	3/spf
7498-7629	3/spf

27. ACID, FRACTURE TREATMENT, CEMENT SQUEEZE, ETC.

8375-8571	77,361 GALS GELLED WATER & 198,600# 20/40 SAND
8139-8327	49,263 GALS GELLED WATER & 117,000# 20/40 SAND
7865-8098	47,121 GALS GELLED WATER & 111,700# 20/40 SAND
7684-7825	38,721 GALS GELLED WATER & 85,000# 20/40 SAND
7498-7629	34,983 GALS GELLED WATER & 87,200# 20/40 SAND

Perforated the Lower Price River from 9365-9366', 9383-9384', 9392-9393', 9413-9414', 9423-9424', 9428-9429', 9440-9441', 9495-9496', 9532-9533', 9554-9555', 9581-9582', 9591-9592', 9596-9597' & 9606-9607' w/ 3 spf.

Perforated the Lower/Middle Price River from 9022-9023', 9051-9052', 9071-9072', 9076-9077', 9107-9108', 9139-9140', 9147-9148', 9180-9181', 9186-9187', 9206-9207', 9223-9224' & 9237-9238' w/ 3 spf.

Perforated the Middle Price River from 8828-8831', 8838-8840', 8857-8858', 8889-8891', 8926-8927', 8950-8952' & 8956-8957' w/ 3 spf.

Perforated the Middle Price River from 8656-8657', 8661-8662', 8670-8671', 8686-8687', 8693-8694', 8712-8713', 8724-8725', 8729-8730', 8755-8756', 8766-8767' & 8790-8792' w/ 3 spf.

Perforated the Middle Price River from 8375-8376', 8392-8393', 8398-8399', 8409-8410', 8422-8423', 8432-8433', 8457-8458', 8502-8503', 8516-8517', 8523-8524', 8549-8550', 8554-8555', 8562-8563' & 8570-8571' w/ 2 spf.

Perforated the Upper Price River from 8139-8140', 8178-8180', 8203-8204', 8214-8215', 8219-8220', 8245-8246', 8254-8255', 8279-8280', 8288-8289' & 8325-8327' w/ 3 spf.

Perforated the Upper Price River from 7865-7866', 7872-7873', 7919-7920', 7923-7924', 7955-7956', 7997-7998', 8010-8011', 8022-8023', 8076-8077', 8080-8081', 8092-8093' & 8097-8098' w/ 3 spf.

Perforated the Upper Price River from 7684-7685', 7689-7690', 7694-7695', 7701-7702', 7712-7713', 7717-7718', 7748-7749', 7763-7764', 7807-7808' & 7823-7825' w/ 3 spf.

Perforated the Upper Price River from 7498-7499', 7520-7521', 7527-7528', 7531-7532', 7541-7542', 7580-7581', 7591-7592', 7597-7599' & 7626-7629' w/ 3 spf.

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 7

REPORT OF WATER ENCOUNTERED DURING DRILLING

Well name and number: CWU 1270-15

API number: 4304738475

Well Location: QQ NWNW Section 15 Township 9S Range 22E County UINTAH

Well operator: EOG

Address: 1060 E HWY 40

city VERNAL state UT zip 84078 Phone: (435) 781-9111

Drilling contractor: PRO PETRO

Address: PO BOX 827

city VERNAL state UT zip 84078 Phone: (435) 789-4729

Water encountered (attach additional pages as needed):

DEPTH		VOLUME	QUALITY
FROM	TO	(FLOW RATE OR HEAD)	(FRESH OR SALTY)
1,520	1,525	NO FLOW	NOT KNOWN

Formation tops: (Top to Bottom)

1 _____ 2 _____ 3 _____

4 _____ 5 _____ 6 _____

7 _____ 8 _____ 9 _____

10 _____ 11 _____ 12 _____

If an analysis has been made of the water encountered, please attach a copy of the report to this form.

I hereby certify that this report is true and complete to the best of my knowledge.

NAME (PLEASE PRINT) Mary A. Maestas TITLE Regulatory Assistant

SIGNATURE Mary A. Maestas DATE 12/6/2007

(5/2000)

Form 3160-5
(August 2007)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

5. Lease Serial No.
UTU0283A

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.
CHAPITA WELLS UNI

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

8. Well Name and No.
CHAPITA WELLS UNIT 1270-15

2. Name of Operator
EOG RESOURCES INC
Contact: MARY A. MAESTAS
E-Mail: mary_maestas@eogresources.com

9. API Well No.
43-047-38475

3a. Address
600 17TH STREET SUITE 1000N
DENVER, CO 80202

3b. Phone No. (include area code)
Ph: 303-824-5526

10. Field and Pool, or Exploratory
NATURAL BUTTES/MESAVERDE

4. Location of Well *(Footage, Sec., T., R., M., or Survey Description)*
Sec 15 T9S R22E NWNW 54FNL 600FWL
40.04312 N Lat, 109.43338 W Lon

11. County or Parish, and State
UINTAH COUNTY, UT

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
☐ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☒ Subsequent Report	☐ Alter Casing	☐ Fracture Treat	☒ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☐ Other
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
	☐ Convert to Injection	☐ Plug Back	☐ Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

All material, debris, trash, and junk was removed from the location. The reserve pit was reclaimed. Stockpiled topsoil was spread over the pit area and broadcast seeded with the prescribed seed mixture. The seeded area was then walked down with a cat.

RECEIVED
FEB 11 2008
DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct.
Electronic Submission #58513 verified by the BLM Well Information System
For EOG RESOURCES INC, sent to the Vernal

Name *(Printed/Typed)* MARY A. MAESTAS — Title REGULATORY ASSISTANT

Signature (Electronic Submission) — Date 02/07/2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By _____ Title _____ Date _____

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. Office _____

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**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****